

INEOS Grangemouth Limited

Annual report and financial statements

Registered number 08698417

Year ended - 31 December 2024

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Section 1 – Strategic report and Directors’ report

Strategic report for the year ended 31 December 2024

The directors present their Strategic report on the Group and Company for the year ended 31 December 2024.

Results for the year

The Company owns the shares of INEOS Commercial Services UK Limited and INEOS Chemicals Grangemouth Limited, both UK domiciled companies, and is the majority shareholder of Grangemouth Energy Company Limited, also a UK domiciled company. These companies constitute the Grangemouth business of INEOS O&P UK (“the Group”).

The results of the Group are set out in the consolidated income statement on page 17, which shows a loss before taxation for the year of €494,034,000 (2023: €687,674,000) which was primarily due to the reduced consumer demand, the impact of high natural gas prices, high UK carbon taxes and associated market volatility. This impacted revenue and subsequently the trading performance. Due to the reasons outlined above and the fact that the investment in the new energy project is still in mothball status plus the ethanol plant has been closed from the beginning of 2025, it was viewed by the Group to fully impair all the Group’s tangible assets, apart from land and buildings, resulting in the business recognising an exceptional impairment charge of €331,555,000 (2023: €561,882,000).

Review of business and future developments

The Grangemouth business produces olefins, olefins by-products, synthetic ethanol and a range of polymers. Products are sold either directly or through a network of limited risk distributors across Europe for which the Group receives a small margin. The ethanol plant closed down on 7 January 2025. All chemicals have been removed and the plant secured in case a future use of the plant emerges in the foreseeable future.

The Group has recognised an exceptional impairment charge of €331,555,000 (2023: €561,882,000) for the year ended 31 December 2024, in relation to the tangible fixed assets. This has predominantly been driven by high natural gas prices, high UK carbon taxes and associated market volatility included in the forward curve. The business valuation was negatively impacted by lower than expected cash flows within the current business plan, reflecting the challenging economic and competitive conditions expected in the near term for the site. Due to the reasons outlined above and the fact that the investment in the new energy project is still in mothball status plus the ethanol plant has been closed from the beginning of 2025, it was viewed by the Group to fully impair all the Group’s tangible assets, apart from land and buildings.

The Group encountered various challenges during the year; the effects of high inflation, higher energy prices, high UK carbon taxes and reduced market demand due to reduced consumer confidence in demand from their customers. Revenue dropped by €100m year on year as demand for the business’ products declined as a result of reduced consumer demand and cheaper imports into Europe being available particularly from the U.S.A. The U.S. competitors benefit from lower energy costs, which are four to five times lower than those in the UK, and no carbon taxes when they import products to the UK. These issues had a profound impact on the business due to the Group’s high steam and power demand and its significant exposure to natural gas prices and high UK carbon taxes.

The planned turnaround event (“TAR”) on the Olefins plant for 2023 was delayed and phased from 2024 to 2026. During a TAR the plant is shutdown to perform critical maintenance activities and the production volume of the site is reduced during the outage period. During 2024, the first phase of the Olefins plant TAR was delivered safely, on time and on budget.

During the year, the Group invested €65,560,000 (2023: €63,036,000) in assets under construction additions which mainly related to the TAR on the Olefins assets. Furthermore, the business required €115m of funding support from the wider INEOS businesses in 2024 (on top of the €404m of support provided in 2023).

During 2025, the natural gas price remained higher than historical averages, although at similar levels as those experienced in 2024. Market conditions continued to be challenging and consequently the second train on the gas cracker remained in mothball status due to restricted sales demand and high UK energy prices and carbon taxes. The business continued to invest in the F10 furnace strategic project. The new energy project continued to be temporarily suspended during 2025 and the business continued to manage its cost base and capital expenditure in line with affordability. Finally, the phased TAR profile occurred as planned with the TAR being undertaken from August through to mid-October.

Strategic report for the year ended 31 December 2024 *(continued)*

Strategy

The Group's strategic aim is to use the benefits of our advantaged feedstock for the KG ethylene cracker to grow the Grangemouth base and our long-term profitability. Long-term supply contracts are in place to provide a secure source of advantaged feedstock from the USA and the North Sea, which will eliminate the feedstock constraints the business has been operating under in previous years and allow the assets to be operated at full capacity to maximise production and profitability.

The Grangemouth site 'Road Map' to achieving Net Zero continues, with emission savings of more than 80% across the site targeted. This is to be achieved through some plant closures plus a series of investments, partnerships and innovative engineering. The integrated INEOS businesses on site have formed a dedicated sustainability team to lead the project to support hydrogen full switching further lowering emissions.

In addition, the regeneration programme on the Grangemouth site has already remediated large areas, on which we hope to attract both internal INEOS and external investment. This investment will utilise the utilities and services already available with the intention to grow the Grangemouth manufacturing base.

Principal risks and uncertainties

The management of the business and the execution of the Group's strategy are subject to a number of risks. Management undertakes an annual risk identification and assessment process to identify the key business risks affecting the Group. The key business risks affecting the Group which were identified within this risk assessment process are set out below:

- The petrochemical industry is cyclical — changing market demands and prices may negatively affect the Group's operating margins and impair its cash flow which, in turn, could affect its ability to make payments on its debt or to make further investments in the business.
- Raw materials and suppliers – if the Group is unable to pass on increases in raw material prices, or to retain or replace its key suppliers, its operations and results may be negatively affected.
- International operations and currency fluctuations – the Group is exposed to currency fluctuation risks as well as to economic downturns and local business risks in several different countries that could adversely affect its profitability.
- Competition – significant competition in the Group's industries, whether through efforts of new and current competitors or through consolidation of existing customers, may adversely affect its competitive position, sales and overall operations.
- Inability to maximise utilisation of assets – the Group may be adversely affected if it is unable to implement its strategies to maximise utilisation of assets.
- Synergies – the Group may not realise anticipated revenue and cost synergies, benefit from anticipated business opportunities or experience anticipated growth from any of its acquisitions.
- Outbreaks of disease — the outbreak of contagious diseases may have a negative impact on the Group's business and performance, and an adverse impact on the global economy generally.
- Substantial debt – the Group's substantial debt could adversely affect its financial position and prevent it from fulfilling its debt obligations.
- Cyber security — a cyber incident could occur and result in information theft, data corruption, operational disruption and/or financial loss.

Strategic report for the year ended 31 December 2024 (continued)

Principal risks and uncertainties (continued)

- Climate change – existing and proposed regulations to address climate change by limiting greenhouse gas emissions may cause us to incur significant additional operating and capital expenses. In addition compliance with new regulation could limit the useful economic life of our plants, lead to a reduction in demand for fossil fuel derived products and result in a lack of competitiveness if our competitors develop new technologies. The Group's operations may also be impacted by physical risks as a result of climate change.
- Regulation – the Group is highly regulated and may have substantial obligations and liabilities arising from health, safety, security and environmental (“HSSE”) laws, regulations and permits applicable to our operations.
- Customers — the Group is subject to the risk of loss resulting from non-payment or non-performance by our customers. Our credit procedures and policies may not be adequate to minimise or mitigate customer credit risk. Our customers may experience financial difficulties, including bankruptcies, restructurings and liquidations.
- Employees — the success of the Group depends on the continued service of certain key personnel and on good relations with our workforce as any significant disruption could adversely affect the Group.
- Wars and armed conflicts – military conflicts could lead to significant market and other disruptions, including significant volatility in energy and other commodity prices.

Section 172(1) statement

The directors have the duty under section 172 to promote the success of the Group for the benefit of stakeholders as a whole and remain conscious of the impact their decisions have on employees, communities, suppliers, customers, investors and the environment. In the performance of its duty to promote the success of the Group and fairness in decision making the Board have regard (amongst other matters) for:

- a) the likely consequences of any decision in the long-term;
- b) the interests of the Group's employees;
- c) the need to foster the Group's business relationships with suppliers, customers and others;
- d) the impact of the Group's operations on the community and the environment;
- e) the desirability of the Group maintaining a reputation for high standards of business conduct; and
- f) the need to act fairly as between members of the Group.

The Group's governance and processes are operated to ensure that all relevant matters are considered by the Board in its principal decision-making, as a means of contributing to the delivery of the Group's long-term success, which are discussed below.

Long-term factors (a)

The Group's principal objectives are to maintain its position as a key global supplier of its products and to increase the value of INEOS by generating strong, sustainable, and growing cash flows across industry cycles. To achieve these objectives, the Group has the following key strategies:

- a) Maintain health, safety, security, and environmental excellence;
- b) Maintain and grow the Group's leadership positions to enhance competitiveness;
- c) Reduce costs and realise synergies;
- d) Maximise utilisation of assets;
- e) Access advantaged feedstock and energy opportunities; and
- f) Develop and implement a sustainable business.

Strategic report for the year ended 31 December 2024 (continued)

Section 172(1) statement (continued)

Long-term factors (a) (continued)

The Group aims to operate and develop its business in a way that supports both the current and future needs, taking into account relevant economic, environmental, and social factors. This enables the Group to sustain the business for the long-term. The directors strongly believe that sustainable business management and practices will contribute to long-term business success and will strengthen the Group's leading position in the market and also in a circular world. The directors ensure that the Group has sufficient resources to support its long-term growth strategy and to fund its investments. An important element is the Group's long-term cash and operational planning in relation to the capital requirements needed to grow and to extend the life span of the assets. The directors consider available and required funds as a basis for any dividend under its distribution policy.

Stakeholder considerations (b – e)

Engaging stakeholders and developing meaningful partnerships is essential for long-term business success. The Group engages in regular, open, and proactive dialogue with all relevant stakeholders as this is needed to understand their perspectives, expectations, concerns, and needs. The business relationships with suppliers and customers are of strategic importance to the directors of the Group and in the decision-making process. For example, in many instances suppliers are located on the same chemical parks which helps develop partnerships, facilitate discussions as well as reduce waste, inefficiency. The Group also works with trade unions and have open and constructive discussions as well as investing in training programmes to continue to develop employees at all levels of the organisation (see the 'Employees' section within the Directors Report for further details of employee engagement). In this way, the Group is able to integrate stakeholder's considerations into business decision-making processes. Dialogue with stakeholders gives the Group the opportunity to explain its clear and committed approach to sustainability as well as the value of the Group's work, products and services for society.

Key stakeholders contribute to the Group's economic, social, and environmental performance. Stakeholders include customers, suppliers, employees, investors, financial experts and rating agencies, local communities, industry associations, NGOs, scientific institutions, universities, government, and value chain partners. The Group is very conscious of having a sustainable business so INEOS produces an annual sustainability report which aligns with the Global Reporting Initiative (GRI) framework and focuses on the issues most material to the Group and its stakeholders. The report focuses on eight key areas, being:

1. Climate change – advancing the transition to net zero;
2. Circular economy – maximising resource efficiency and eliminating waste;
3. Water stewardship – tracking and reducing our water footprint chains;
4. Zero pollution – driving progress towards sustainable chemical value chains;
5. Our people – prioritising workplace health and safety (SHE) and fairness;
6. People in our value chain – safeguarding conditions and human rights;
7. People in our communities – respecting and supporting local communities;
8. Governance – maintaining the highest standard of ethics and compliance.

Strategic report for the year ended 31 December 2024 (continued)

Section 172(1) statement (continued)

Stakeholder considerations (b – e) (continued)

The Group is committed to maintaining a workplace that is safe, professional, and supportive of teamwork and trust. The Group is committed to creating and sustaining a work environment of mutual trust where all employees are treated with respect and dignity, compensated fairly based on local market conditions, and are entitled to adequate working hours. The Group value diversity of its people and each of its employees is recognised as an important member of the team.

The Group is committed to protecting and maintaining the quality of the environment and to promoting the health and safety of its employees, contractors, suppliers, customers, visitors, and the communities in which it operates. For example INEOS is a signatory to the International Council of Chemical Associations' (ICCA) Responsible Care Global Charter which demonstrates the Group's commitment to strengthening chemicals management systems, safeguarding people and the environment, and working towards sustainable solutions through our value chain. Compliance with all legislation intended to protect people, property and the environment is one of the Group's fundamental priorities and applies to its products as well as to its processes. Management lead by example and allocate the required resources to achieve excellence in SHE performance.

The need to act fairly as between members of the Group (f)

The Group has a single shareholder and a single ultimate controlling party. Their interests are taken into account by the directors to promote fairness in decision making.

Principal decisions

Below outlines the principal decision made by the Board over the past year and explains how the directors have engaged with, or in relation to, the key shareholder groups and how stakeholder interests were considered in decision-making. The principal decisions are defined to be decisions taken in INEOS Grangemouth Limited that are of a strategic nature and significant to any of the Group's key stakeholder groups.

- It was decided during 2024 to close the ethanol plant, the actual closure of which then occurred on 7 January 2025. All chemicals have been removed and the plant secured in case a future use of the plant emerges in the foreseeable future.

Environmental, social and governance reporting ("ESG")

Environmental, social and governance reporting ("ESG") for INEOS Grangemouth Limited falls under the BEIS Climate-related Financial Disclosure ("CFD") reporting requirements due to having more than 500 employees and revenue of more than €500 million. The CFD statement can be found in the annual report of INEOS Industries Limited which applies to INEOS Grangemouth Limited on the basis of the consolidation rule. The annual report of INEOS Industries Limited are available to the public and may be obtained from the Company Secretary, Hawkslease, Chapel Lane, Lyndhurst, Hampshire, SO43 7FG.

Streamlined energy and carbon reporting ("SECR")

The SECR disclosures relating to the Group are included within the SECR disclosures made in the annual report of INEOS Industries Limited, the parent undertaking of the largest group of undertakings to consolidate these financial statements, see Note 26. The Group has taken advantage of the exemption from the requirement to make SECR disclosures in these financial statements.

Non-financial and sustainability information statement ("NFSI")

The NFSI disclosures relating to the Group are included within the NFSI disclosures made in the annual report of INEOS Industries Limited, the parent undertaking of the largest group of undertakings to consolidate these financial statements, see Note 26. The Group has taken advantage of the exemption from the requirement to make NFSI disclosures in these financial statements.

Strategic report for the year ended 31 December 2024 (continued)

Key performance indicators (“KPIs”)

The Group uses a number of financial and non-financial key performance indicators (“KPIs”) to measure performance, which are monitored against budget and the prior year.

The main financial KPI for the business is earnings before interest, taxation, depreciation, amortisation and exceptional items (“EBITDA before exceptional items”). EBITDA before exceptional items for the Group for the year ending 31 December 2024 was a loss of €93,407,000 (2023: €24,908,000). The Group also closely monitors fixed costs against budget and prior year.

Details of actual and comparative EBITDA before exceptional items results are provided below:

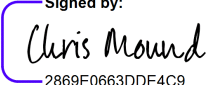
	2024 €000	2023 €000
Operating loss for the year	(433,640)	(640,515)
Amortisation charge for the year	410	397
Depreciation charge for the year	8,268	53,328
Exceptional impairment charge for the year	331,555	561,882
	<u>(93,407)</u>	<u>(24,908)</u>

The decrease in EBITDA before exceptional items in 2024 as compared to 2023 was primarily due to the reduced consumer demand, the impact of higher natural gas prices, high UK carbon taxes and associated market volatility. This impacted revenue and subsequently the trading performance.

The exceptional impairment charge in 2024 is less than the prior year as the starting point on net fixed assets was lower due to accumulated impairments.

The Group uses a number of other non-financial key performance indicators to measure performance including health, safety and environmental (“SHE”) metrics such as Occupational Safety and Health Administration (“OSHA”) incident and injury rates to measure the safe working of employees and contractors.

Approved by the Board and signed on behalf of the Board of Directors.

Signed by:

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C G Mound
Director
17 December 2025
Registered Number 08698417

Directors' report for the year ended 31 December 2024

The directors present their annual report and audited financial statements of the Group and the Company for the year ended 31 December 2024.

Principal activities

The principal activity of the Group is the production and sale of petrochemical products manufactured at the site in Grangemouth, Scotland. The main product manufactured by the olefins business is ethylene through the operation of a gas cracker. The ethylene can then be sold by the Group into the market, or to the ethanol and polymer assets on site where it can be manufactured further to produce synthetic ethanol, polyethylene and polypropylene. The cracker also produces a number of by-products which are either processed further in the onsite assets, or sold to external customers through a network of limited risk distributors across Europe for which the Group receives a small margin. The Group has started constructing a new energy plant on the site at Grangemouth, although the expected operational date is not yet known as the project was paused in April 2022.

INEOS Grangemouth Limited's principal activities are that of a holding company for its direct subsidiary entities INEOS Commercial Services UK Limited, INEOS Chemicals Grangemouth Limited and Grangemouth Energy Company Limited.

Future developments

Future developments are discussed in the Strategic report.

Post balance sheet events

Post balance sheet events are discussed in Note 28.

Armed conflicts

Current conflicts in Europe and the Middle East can result in fluctuations on the energy market which can lead to uncertainty on future prices; however the directors have undertaken a rigorous assessment of the potential impact on demand for the Group's products and services and the impact on margins for the next 12 months and the directors do not expect a material impact on the Groups's ability to operate as a going concern.

Going Concern

The directors have considered the Group's projected future cash flows and working capital requirements for a period of at least 12 months from signing of these financial statements (see Note 28). As at 31 December 2024, the Group had net current assets of €111,382,000 (2023: €88,296,000) net liabilities of €655,695,000 (2023: €271,503,000). The Group held cash of €38,909,000 (2023: €24,616,000) and loans and borrowings (net of issue costs) of €1,003,981,000 (2023: €822,964,000). The loss for the year was €407,809,000 (2023: €562,993,000). The directors have received confirmation that the parent, INEOS Industries Limited, will continue to support the Group for at least the 12 months from signing of these financial statements.

After making enquiries, the directors have a reasonable expectation that the parent's going concern assessment confirms that there is sufficient forecast committed liquidity headroom for the parent to provide this support and the Group will therefore have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Group continues to adopt the going concern basis in preparing its financial statements.

Directors' report for the year ended 31 December 2024 *(continued)*

Financial risk management

The Group's operations expose it to a variety of financial risks that include the effects of changes in price risk, credit risk, liquidity risk and interest rate risk. The Group has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Group where appropriate. The Group is exposed to commodity price risk as a result of its operations and seeks to mitigate this risk through various purchasing strategies. The Group manages its credit exposures with a set of policies for ongoing credit checks on potential and current customers or counterparties. Note 22 of the financial statements provides further information on financial instruments, interest risk, liquidity risk and foreign currency risk.

Results and proposed dividend

Results are discussed in the Strategic report. The directors do not propose the payment of a dividend (2023: *£nil*).

Political and charitable contributions

Neither the Company nor any of its subsidiaries made any political or charitable donations or incurred any political expenditure during the year which are required to be disclosed (2023: *£nil*).

Directors

The directors who held office during the year and up to the date of signing the financial statements were as follows:

S M Collings (Resigned 1 October 2025)

N Williamson (Appointed 1 October 2025)

C G Mound

A T Hughes

A Hogan (Resigned 31 October 2024)

G R MacLennan (Appointed 1 November 2024)

Employees

The Group has developed voluntary practices and procedures for employee involvement appropriate to their own circumstances and needs. The Group encourages this approach to provide information and consultation and believes that this promotes a better understanding of the issues facing the individual business in which the employee works. The Group places considerable value on the involvement of its employees and keeps them informed on matters affecting them as employees and on the various factors affecting the performance of the Group by issuing communications on the group intranet and holding employee information meetings hosted by the Board and operating a bonus scheme linked to the business performance. The Group consults employees or their representatives through a works council on a regular basis so that the views of employees can be taken into account in making decisions that are likely to affect their interests.

The Group prohibits acts of discrimination whereby one individual is treated less favourably than another on grounds of age, disability, gender reassignment, race, religion or belief, sex, sexual orientation, marriage and civil partnership and pregnancy and maternity. The Group gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. Where existing employees become disabled, it is in the Group's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion wherever appropriate.

Streamlined energy and carbon reporting ("SECR")

Streamlined energy and carbon reporting are discussed in the Strategic Report.

Directors' report for the year ended 31 December 2024 (continued)

Health & safety

Our facilities and operations are subject to a wide range of health, safety, security and environmental ("HSSE") laws and regulations in all of the jurisdictions in which we operate. These requirements govern, among other things, the manufacture, storage, handling, treatment, transportation and disposal of hazardous substances and wastes, wastewater discharges, air emissions, noise emissions, human health and safety, process safety and risk management and the clean-up of contaminated sites. Many of our operations require permits and controls to monitor or prevent pollution. We have incurred, and will continue to incur, substantial ongoing capital and operating expenditures to ensure compliance with current and future HSSE laws, regulations and permits or the more stringent enforcement of such requirements.

Our operations are currently in material compliance with all HSSE laws, regulations and permits. We actively address compliance issues in connection with our operations and properties and we believe that we have systems in place to ensure that environmental costs and liabilities will not have a material adverse impact on us.

Business relationships

The business relationships with suppliers and customers are of strategic importance to the directors of the Group and their decision-making process. The business relationships of INEOS O&P UK are described in the Section 172(1) statement in the Strategic report.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the Group financial statements in accordance with United Kingdom adopted international accounting standards. The financial statements also comply with International Financial Reporting Standards (IFRSs) as issued by the IASB. The directors have chosen to prepare the Parent Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS101 "Reduced Disclosure Framework". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing the Parent Company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

In preparing the Group financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements of the financial reporting framework are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Group's ability to continue as a going concern.

Directors' report for the year ended 31 December 2024 (continued)

Statement of directors' responsibilities in respect of the financial statements (continued)

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors' confirmations

In the case of each director in office at the date the Directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the Group and Company's auditor is unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Group and Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Independent Auditor

During the year Deloitte LLP were re-appointed as auditor of the Group and have expressed their willingness to continue in office as auditor pursuant to Section 485-488 of the Companies Act 2006. Appropriate arrangements have been put in place for them to be deemed re-appointed in the absence of an Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board of Directors.

Signed by:

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C G Mound
Director
17 December 2025
Registered number 08698417

Section 2 – Consolidated Financial Statements

Independent auditor's report to the members of INEOS Grangemouth Limited

Report on the audit of the financial statements

Opinion

In our opinion:

- the financial statements of INEOS Grangemouth Limited (the 'parent company') and its subsidiaries (the 'group') give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2024 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB);
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated income statement;
- the consolidated statement of comprehensive income;
- the consolidated and parent company balance sheets;
- the consolidated and parent company statements of changes in equity;
- the consolidated statement of cash flows; and
- the related notes to the consolidated financial statements note 1 to 28; and
- the related notes to the company financial statements 1 to 13.

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and United Kingdom adopted international accounting standards and IFRSs as issued by the IASB. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independent auditor's report to the members of INEOS Grangemouth Limited *(continued)*

Report on the audit of the financial statements *(continued)*

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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Independent auditor's report to the members of INEOS Grangemouth Limited *(continued)*

Report on the audit of the financial statements *(continued)*

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the group's business sector.

We obtained an understanding of the legal and regulatory frameworks that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, Money Laundering Regulations, Health and Safety at work legislation, Data Protection Act, Pensions Legislation, Tax legislation and the Bribery Act; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including significant component audit teams and relevant internal specialists such as tax, pensions, valuations, IT and analytics specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in relation to the valuation of the property, plant and equipment balance as a result of impairment. Our specific procedures to address this centred around auditing management's impairment review. Their review and our subsequent audit centred around assessing the indicators of potential impairment and, in the presence of such indicators, performing a full impairment review. This involved assessing management's model and challenging specific assumptions, along with involving a valuations specialist to assess the reasonableness of the discount rate used.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Independent auditor's report to the members of INEOS Grangemouth Limited *(continued)*

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the group and of the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

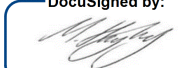
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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Matthew Hughes BSc (Hons) ACA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

Leeds, United Kingdom

17 December 2025

Consolidated Income Statement

for the year ended 31 December 2024

	<i>Note</i>	2024 €000	2023 €000
Revenue	2	559,494	658,993
Cost of sales		(607,781)	(667,056)
Exceptional cost of sales	3	(331,554)	(561,882)
Total costs of sales		(939,335)	(1,228,938)
Gross loss		(379,841)	(569,945)
Other operating income	4	21,208	2
Distribution costs		(42,836)	(40,972)
Administrative expenses		(32,171)	(29,600)
Operating loss	5	(433,640)	(640,515)
Finance income	8	671	1,456
Finance costs	8	(61,065)	(48,615)
Net finance costs		(60,394)	(47,159)
Loss before taxation		(494,034)	(687,674)
Tax credit	9	86,225	124,681
Loss for the financial year		(407,809)	(562,993)
Attributable to:			
Owners of the parent		(368,738)	(495,015)
Non-controlling interest		(39,071)	(67,978)
		(407,809)	(562,993)

All activities of the Group relate to continuing operations.

The notes on pages 24 to 72 are an integral part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income

for the year ended 31 December 2024

	<i>Note</i>	2024 €000	2023 €000
Loss for the financial year		(407,809)	(562,993)
Other comprehensive income/(expense)			
Items that will not be recycled to profit or loss:			
Re-measurement of post-employment benefit plan, net of tax	9	2,157	(15,463)
Items that may subsequently be recycled to profit or loss:			
Foreign exchange translation differences, net of tax	9	5,953	13,619
Other comprehensive income/ (expense) for the financial year, net of tax		8,110	(1,844)
Total comprehensive expense for the year		(399,699)	(564,837)
Total comprehensive expense for the year is attributable to:			
Owners of the parent		(360,628)	(496,859)
Non-controlling interest		(39,071)	(67,978)
		(399,699)	(564,837)

The notes on pages 24 to 72 are an integral part of these consolidated financial statements.

Consolidated Balance Sheet

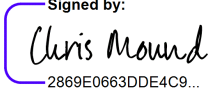
as at 31 December 2024

	Note	2024 €000	2023 €000
Non-current assets			
Intangible assets	10	1,794	1,779
Property, plant and equipment	11	1,178	261,075
Investments	12	-	-
Deferred tax asset	13	163,670	149,886
Trade and other receivables	14	25,478	18,648
Total non-current assets		192,120	431,388
Current assets			
Inventories	16	91,627	90,189
Trade and other receivables	14	274,226	216,827
Tax receivables		11,234	12,715
Cash and cash equivalents		38,909	24,616
Total current assets		415,996	344,347
Total assets		608,116	775,735
Equity			
Called up share capital	17	57	57
Other reserves		(79,327)	(87,437)
Retained earnings		(440,761)	(87,530)
Total shareholders' deficit		(520,031)	(174,910)
Non-controlling interest		(135,664)	(96,593)
Total deficit		(655,695)	(271,503)
Non-current liabilities			
Interest-bearing loans and borrowings	18	916,996	744,426
Lease liabilities	19	14,145	16,549
Trade and other payables	20	13,153	13,699
Employee benefits	15	14,903	16,513
Total non-current liabilities		959,197	791,187
Current liabilities			
Interest bearing loans and borrowings	18	86,985	78,538
Lease liabilities	19	5,228	4,328
Trade and other payables	20	206,713	164,231
Tax payable		5,688	8,954
Total current liabilities		304,614	256,051
Total liabilities		1,263,811	1,047,238
Total equity and liabilities		608,116	775,735

Consolidated Balance Sheet *(continued)*
as at 31 December 2024

The notes on pages 24 to 72 are an integral part of these consolidated financial statements.

These financial statements on pages 17 to 72 were approved by the Board of Directors on 17 December 2025 and were signed on its behalf by:

Signed by:

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C G Mound
Director
Registered Number 08698417

Consolidated Statement of Changes in Equity

for the year ended 31 December 2024

	Note	Called up share capital	Other reserves	Retained earnings	Total	Non- controlling interest	Total equity/ (deficit)
		€000	€000	€000	€000	€000	€000
Balance at 1 January 2023		57	(85,593)	407,485	321,949	(28,615)	293,334
Loss for the year		-	-	(495,015)	(495,015)	(67,978)	(562,993)
Other comprehensive income/(expense):							
Foreign exchange translation differences	9	-	13,619	-	13,619	-	13,619
Re-measurement of post-employment benefit plan	9	-	(15,463)	-	(15,463)	-	(15,463)
Total other comprehensive expense		-	(1,844)	(495,015)	(496,859)	(67,978)	(564,837)
Balance at 31 December 2023		57	(87,437)	(87,530)	(174,910)	(96,593)	(271,503)
Loss for the year		-	-	(368,738)	(368,738)	(39,071)	(407,809)
Other comprehensive income/ (expense):							
Foreign exchange translation differences	9	-	5,953	-	5,953	-	5,953
Re-measurement of post-employment benefit plan	9	-	2,157	-	2,157	-	2,157
Total other comprehensive income/(expense)		-	8,110	(368,738)	(360,628)	(39,071)	(399,699)
Transactions with owners:							
Forgiveness of debt		-	-	15,507	15,507	-	15,507
Total transactions with owners		-	-	15,507	15,507	-	15,507
Balance at 31 December 2024		57	(79,327)	(440,761)	(520,031)	(135,664)	(655,695)

Consolidated Statement of Changes in Equity (*continued*) for the year ended 31 December 2024

Analysis of other reserves:

	Note	Translation reserve €000	Re-measure post-employment benefit plan €000	Total other reserves €000
Balance at 1 January 2023		(99,409)	13,816	(85,593)
Foreign exchange translation differences	9	13,619	-	13,619
Re-measurement of post-employment benefit plan	9	-	(15,463)	(15,463)
Balance at 31 December 2023		(85,790)	(1,647)	(87,437)
Foreign exchange translation differences	9	5,953	-	5,953
Re-measurement of post-employment benefit plan	9	-	2,157	2,157
Balance at 31 December 2024		(79,837)	510	(79,327)

The notes on pages 24 to 72 are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows
for the year ended 31 December 2024

	<i>Note</i>	2024 €000	2023 €000
Cash flows from operating activities			
Loss for the financial year		(407,809)	(562,993)
Adjustments for:			
Net finance cost	8	60,394	47,159
Tax credit	9	(86,225)	(124,681)
Depreciation and impairment of property, plant and equipment	11	339,813	615,210
Amortisation and impairment of intangible assets	10	420	397
Decrease in provisions and employee benefits		(472)	(926)
Pension service cost	15	507	496
(Increase)/ decrease in trade and other receivables		(69,683)	27,521
Increase in inventories		(799)	(3,574)
Increase/ (decrease) in trade and other payables		118,953	(55,150)
Net cash used in operating activities		(44,901)	(56,541)
Cash flows from investing activities			
Interest received		671	743
Proceeds from sale of property, plant and equipment		-	10
Acquisition of intangible assets		(340)	(1,224)
Acquisition of property, plant and equipment		(50,497)	(55,353)
Net cash used by investing activities		(50,166)	(55,824)
Cash flows from financing activities			
Proceeds from related party loan		115,082	404,621
Interest paid		(2,194)	(1,111)
Repayment of senior secured term loans		-	(305,000)
Capital element of lease payments		(4,953)	(4,836)
Net cash generated from financing activities		107,935	93,674
Increase/(decrease) in cash and cash equivalents		12,867	(18,691)
Cash and cash equivalents at beginning of year		24,616	42,328
Effect of exchange rate fluctuations on cash held		1,426	979
Cash and cash equivalents at end of year		38,909	24,616

The notes on pages 24 to 72 are an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

for the year ended 31 December 2024

1. Accounting policies

1.1 Overview

INEOS Grangemouth Limited (the “Company”) is a private company, limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The registered office address is Hawkslease, Chapel Lane, Lyndhurst, Hampshire, England, SO43 7FG. The nature of the operations and principal activities of the Company and its subsidiaries is the construction of a new energy plant on the Grangemouth site, the production of olefins, olefins by-products, synthetic ethanol and a range of polymer products and selling the products either directly or through a network of limited risk distributors across Europe for which it receives a small margin.

1.2 Basis of accounting

The Group financial statements consolidate those of the Company and its subsidiaries (together referred to as the “Group”). The Parent Company financial statements present information about the Company as a separate entity and about its Group.

The financial statements have been prepared in accordance with United Kingdom adopted international accounting standards and with International Financial Reporting Standards as issued by the IASB which requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Group’s accounting policies. Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in Note 27.

In preparing the financial statements, the directors have considered the impact of climate change, particularly in the context of the principal risk identified on page 4. There has been no material impact identified on the financial reporting judgements and estimates. The directors are aware of the ever-changing risks attached to climate change and will regularly assess these risks against judgements and estimates made in preparation of the Group’s financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Group financial statements.

1.3 Consideration of climate change

In preparing the financial statements, management have considered the impact of climate change, particularly in the context of the risks identified in the CFD disclosure on page 4. In particular, management considered the impact of climate change in respect of the following areas of accounting judgement or estimate:

- the assessment of goodwill, other intangibles and tangible fixed assets;
- the assessment of impairment of financial assets;
- our consideration of going concern;
- the useful economic lives of assets; and
- the preparation of budgets and forecasts.

Given the limited short to medium term risk to these areas as assessed in the CFD report (see page 6), no material climate change related impact was identified. The going concern assessment on page 25 includes an assessment of severe but plausible scenarios, including climate change risks, with the potential to impact future performance, but none of this are considered likely to give rise to trading deterioration of the magnitude indicated by the stress testing or to threaten the viability of the business over the three year assessment period. Management are however aware of the changing nature of the risks associated with climate change and will regularly reassess these against the judgements and estimates made in preparing the Group’s financial statements.

Notes to the Consolidated Financial Statements (*continued*) for the year ended 31 December 2024

1. Accounting policies (*continued*)

1.4 Going concern

The directors have considered the Group's projected future cash flows and working capital requirements for a period of at least 12 months from signing of these financial statements (see Note 28). As at 31 December 2024, the Group had net current assets of €111,382,000 (2023: €88,296,000) net liabilities of €655,695,000 (2023: €271,503,000). The Group held cash of €38,909,000 (2023: €24,616,000) and loans and borrowings (net of issue costs) of €1,003,981,000 (2023: €822,964,000). The loss for the year was €407,809,000 (2023: €562,993,000). The directors have received confirmation that the parent, INEOS Industries Limited, will continue to support the Group for at least the 12 months from signing of these financial statements.

After making enquiries, the directors have a reasonable expectation that the parent's going concern assessment confirms that there is sufficient forecast committed liquidity headroom for the parent to provide this support and the Group will therefore have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Group continues to adopt the going concern basis in preparing its financial statements.

1.5 Measurement convention

The financial statements are prepared on the historical cost basis except that financial instruments classified as fair value through the profit or loss or fair value through other comprehensive income which are stated as their fair value.

1.6 Functional and presentation currency

These Group financial statements are presented in euro, which is the functional currency of the majority of operations. The Group's primary products are sold in an international commodities market which is priced and invoiced primarily in euros.

The exchange rate as at 31 December 2024 was €1.20525: £1 (2023: €1.14982: £1).

All financial information presented in euro has been rounded to the nearest €1,000.

1.7 Basis of consolidation

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the Group financial statements from the date that control commences until the date that control ceases. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

Inter-company transactions, balances, income and expenses on transactions between Group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated.

Notes to the Consolidated Financial Statements (*continued*)
*for the year ended 31 December 2024***1. Accounting policies (*continued*)****1.8 Foreign exchange**

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the consolidated income statement except for differences arising on the retranslation of a financial liability designated as a hedge of the net investment in a foreign operation that is effective, or qualifying cash flow hedges, which are recognised directly in other comprehensive income. Non-monetary assets and liabilities that are measured in terms of historical costs in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to the Group's presentational currency, euros, at foreign exchange rates ruling at the balance sheet date.

The revenues and expenses of foreign operations are translated at an average rate for the year where this rate approximates to the foreign exchange rates ruling at the dates of the transactions.

Exchange differences arising from this translation of foreign operations are reported as an item of other comprehensive income and accumulated in the translation reserve.

1.9 Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Trade and other receivables

Trade and other receivables are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition or issue. Subsequent to initial recognition they are tested for classification as per IFRS 9. If the trade receivables satisfy the criteria for cash flow characteristics test and business model test as per IFRS 9, then they are recognised at amortised cost. If they do not qualify for being recognised at amortised cost they are recognised at fair value through profit or loss.

Trade and other payables

Trade and other payables are recognised initially at fair value less transaction costs that are directly attributable to the acquisition or issue. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Investments in debt and equity securities

Investments in jointly controlled entities, associates and subsidiaries are carried at cost less impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated as amortised cost using the effective interest method, less any impairment losses.

Notes to the Consolidated Financial Statements (*continued*) for the year ended 31 December 2024

1. Accounting policies (*continued*)

1.10 Property, plant and equipment

Property, plant and equipment is stated at historic cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. Cost may include the cost of materials, labour and other costs directly attributable to bringing the assets to a working condition for their intended use. Cost may also include the cost of dismantling and removing items and restoring the site on which they are located.

Assets are capitalised in recognition of future economic benefit or for Health and Safety Executive compliance.

Capital work in progress is held as assets under construction until fully commissioned and transferred into active use.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is charged to cost of sales in the consolidated income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Depreciation commences from the date an asset is brought into service. Land and assets under construction are not depreciated. The estimated useful lives are as follows:

- Buildings 20 years
- Plant and machinery 4 – 25 years
- Right-of-use assets 1 – 29 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. Where an indicator of impairment exists, the Group makes an estimate of the recoverable amount, which is the higher of the asset's fair value less cost to sell and value in use. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Assets are derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying value of the asset) is included in the consolidated income statement in the period in which the item is derecognised.

1.11 Intangible assets

Intangible assets that are acquired by the Group are stated at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired separately from a business are carried initially at cost. The initial cost is the aggregate amount paid and the fair value of the other consideration given to acquire the assets. An intangible asset acquired as part of a business combination is recognised separately from goodwill if the asset is separable or arises from contractual or other legal rights and its fair value can be measured reliably.

Notes to the Consolidated Financial Statements (*continued*) for the year ended 31 December 2024

1. Accounting policies (*continued*)

1.11 Intangible assets (*continued*)

Amortisation

Amortisation is charged to the consolidated income statement on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets with an indefinite useful life and goodwill are systematically tested for impairment at each reporting date. Other intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

- Licenses up to 15 years

These intangible assets are tested for impairment at the end of the reporting period if events or changes in circumstances indicate that the carrying value may not be recoverable. Useful lives are examined on an annual basis and adjustments, where applicable, are made on a prospective basis.

Environmental certificates are subject to impairment under the indefinite lived intangible asset impairment model (see Note 1.21).

1.12 Impairment

Impairment of financial assets

Trade and other receivables

The Group applies the simplified approach when providing for expected credit losses prescribed by IFRS 9 for its trade receivables and contract assets. This approach requires the Group to recognise the lifetime expected loss provision for all trade receivables taking in consideration historical as well as forward-looking information.

Financial assets which are considered low risk are not provided for impairment by the Group as the loss allowance is considered immaterial.

An impairment loss in respect of a receivable carried at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

Amounts due from related parties

For amounts due from related parties, an impairment loss is recognised at inception based on the 12 month expected credit loss. Subsequently, the Group assesses whether there is a significant increase in credit risk to determine whether the 12 month expected credit loss model should continue to be applied or whether the timeline expected credit loss model should be applied.

Notes to the Consolidated Financial Statements (*continued*) for the year ended 31 December 2024

1. Accounting policies (*continued*)

1.12 Impairment (*continued*)

Impairment of non-financial assets excluding inventories and deferred tax assets

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets are assessed at the end of the reporting period to determine whether there is any indication of impairment.

For other intangible assets that have an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at the end of the reporting period.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the consolidated income statement.

Impairment losses recognised in respect of cash-generating units reduce the carrying amount of the other assets in the unit on a pro rata basis. A cash generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Calculation of recoverable amount

The recoverable amount is the greater of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss is reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and of amortisation, if no impairment loss had been recognised.

1.13 Inventories

Inventories are stated at the lower of cost, using the first-in first-out method, and net realisable value. Cost includes the purchase price, including taxes and duties and transport and handling directly attributable to bringing the inventory to its present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of overheads based on normal operating capacity. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provisions are made for obsolete, slow-moving or defective items where appropriate.

Items owned by the Group that are held on consignment at another entity's premises are included as part of the Group's inventory.

1.14 Commodities

Contracts that are entered into and continue to be held for the purpose of receipt or delivery of non-financial items in accordance with the Group's expected purchase, sale or usage requirements (own-use contracts) are not accounted for as derived finance instruments, but rather as executory contracts.

Notes to the Consolidated Financial Statements (continued)
*for the year ended 31 December 2024***1. Accounting policies (continued)****1.15 Employee benefits**

The Group provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and funded and unfunded defined benefit and defined contribution pension plans. The Group also provides unfunded early retirement benefits and long service awards for certain employees.

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to the defined contribution pension plan are recognised as an expense in the consolidated income statements as incurred. The assets of the plan are held separately from the Group in independently administered funds.

Defined benefit plan

A defined benefit plan is a post-employment benefit plan that is not a defined contribution plan. The Group's net obligation in respect of the defined benefit pension plan and other post-employment benefits is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value; and the fair value of any plan assets (at bid price) are deducted. The discount rate is the yield at the reporting date on AA credit rated bonds denominated in the currency of, and that have maturity dates approximating to the terms of, the Group's obligations. The calculation is performed by a qualified actuary using the projected unit credit method.

When the benefits of a plan are amended or curtailed, the portion of the increased or decreased benefit relating to past service by employees is recognised as an expense immediately in the consolidated income statement.

The Group recognises actuarial gains and losses in the period they occur directly in equity through the statement of comprehensive income.

Where the calculation results in a benefit to the Group, the asset recognised is limited to the present value of any future refunds from the plan or reductions in future contributions to the plan.

The pension scheme surplus (to the extent that is recoverable) or deficit is recognised in full.

The movement in the scheme surplus/deficit is split between:

- operating charges;
- net finance costs; and
- recognised directly in equity, the remeasurements of post-employment benefit obligations.

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Notes to the Consolidated Financial Statements (*continued*)

For the year ended 31 December 2024

1. Accounting policies (*continued*)

1.16 Called up share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

1.17 Revenue

Revenue represents the invoiced value of products and services sold or services provided to third parties net of sales discounts, value added taxes and duties. Contracts for goods and services are analysed to determine the distinct performance obligations against which revenue should be recognised. The amount to be recognised is determined from the standalone selling prices for goods and services, allocated to the performance obligations. Revenue is recognised when (or as) the performance obligations are satisfied by transferring a promised good or service to a customer.

The pricing for products sold is determined by market prices (market contracts and arrangements) or is linked by a formula to published raw material prices plus an agreed additional amount (formula contracts). Revenue arising from the sale of goods is recognised when the goods are dispatched or delivered depending on the relevant delivery terms and point at which the control of the good or service is transferred to the customer.

1.18 Government grants

Government grants are shown in the consolidated balance sheet as deferred income. This income is amortised on a straight line basis over the same period as the tangible fixed asset to which it relates or the life of the related project.

1.19 Finance income and costs

Finance income and finance costs are recognised in the consolidated income statement as it accrues, using the effective interest method. Dividend income is recognised in the consolidated income statement on the date the entity's right to receive payments is established. Foreign exchange gains and losses are reported on a net basis.

Finance costs comprise interest payable, finance charges on leases, unwinding of the discount on provisions, net fair value losses on derivatives, net interest on employee benefit liabilities and net foreign exchange losses that are recognised in the consolidated income statement (see foreign exchange accounting policy).

Finance income comprises interest receivable on funds invested and from related party loans, net fair value gains on derivatives and net foreign exchange gains.

Notes to the Consolidated Financial Statements (*continued*)

For the year ended 31 December 2024

1. Accounting policies (*continued*)

1.20 Taxation

Taxes on the profit or loss for the year comprise current and deferred tax. Tax is recognised in the consolidated income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

1.21 Emission trading scheme

The Group participates in the UK Emissions Trading Scheme. The Scheme encourages companies to reduce carbon emissions by offering financial incentives if they achieve their annual reduction targets. If a company reduces emissions beyond their target then the surplus may be traded in the form of emissions permits.

The incentive money due from the UK Emissions Trading Scheme is recognised in the consolidated income statement once the reduction targets have been met. The emissions permits allocated under the Scheme are at nil cost. The Group recognises the revenue from such permits upon their sale to third parties.

Emissions allowances purchased from third parties are recognised as an intangible asset based on the cost associated with the purchase. The emission allowances are subject to impairment under the indefinite lived intangible asset impairment model. There is no amortisation of these allowances. The costs of the allowances are recognised as a disposal and released to the profit and loss along with the accrual as they are utilised.

The Group accrues for emissions produced. The accrual is measured at the carrying amount of the emission rights held (nil if granted, otherwise at cost) or, in the case of a shortfall, at the current fair value of the emission rights needed.

1.22 Exceptional items

The presentation of the Group's results separately identifies the effect of the profits and losses on the disposal of businesses, the impairment and the reversal of impairment of non-current assets, the cost of restructuring acquired businesses and the impact of one-off events such as legal settlements as exceptional items. Results excluding disposals, impairments, restructuring costs and one-off items are used by management and are presented in order to provide readers with clear and consistent presentation of the underlying operating performance of the Group's ongoing business.

Notes to the Consolidated Financial Statements (*continued*)

For the year ended 31 December 2024

1. Accounting policies (*continued*)

1.23 IFRS 16 leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

Group as a lessee

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised and lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

The lease payments include fixed payments (including in-substance fixed payments), variable lease payments that depend on an index or a rate (initially measured using the index or rate as at the commencement date), amounts expected to be paid under residual value guarantees less any lease incentives receivable. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are expensed in the period in which the event or condition that triggers the payment occurs.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments, a change in the assessment of whether the Group is reasonably certain to exercise an option to purchase the underlying asset, a change in future lease payments arising from a change in an index or rate, or if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee.

When the lease liability is remeasured in this way and there has been no change in the scope of the lease, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Notes to the Consolidated Financial Statements (*continued*)

For the year ended 31 December 2024

1. Accounting policies (*continued*)

1.23 IFRS 16 leases (*continued*)

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to all leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. The Group also applies the lease of low-value assets recognition exemption to leases of assets that are valued below €10,000. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

1.24 Changes in accounting policies

The Group financial statements have been prepared using accounting policies that are consistent with those of the previous financial year. The Group has adopted the following amendments to accounting standards for the first time in 2024, with effect from 1 January 2024, although there has been no material effect on the Group's financial statements:

- Amendments to IAS 1 Presentation of Financial Statements – Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

The amendments to IAS 1 Presentation of Financial Statements now require that the group must have a right to defer settlement at the reporting date and that its liability must have substance for it to be current. The amendments also reconfirm that only covenants with which the Group must comply on or before the reporting date affect the classification of a liability as current or non-current.

Following the amendments, the Group is required to disclose information on non-current liabilities, which are subject to future covenants, to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date.

- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures –Supplier Finance Arrangements

The amendments introduce requirements for the group to provide specific qualitative and quantitative information about its supplier finance arrangements that would enable users to assess the effects of these arrangements on the group's liabilities and cash flows. Under the amendments, the Group is required to disclose the type and effect of non-cash changes in the carrying amounts of the financial liabilities that are part of a supplier finance arrangement.

The amendments to IFRS 7 Financial Instruments: Disclosures add supplier finance arrangements as additional quantitative liquidity risks to be considered for disclosures concerning the Group's financial liabilities.

- Amendments to IFRS 16 Leases – Lease Liability in a Sale and Leaseback

The Amendments to IFRS 16 Leases impact how the Group, as a seller-lessee, accounts for variable lease payments that arise in a sale-and-leaseback transaction. The amendments introduce a new accounting model for variable payments and will require the Group, on initial recognition, to include variable lease payments when it measures a lease liability arising from a sale-and-leaseback. After initial recognition, the Group applies the general requirements for subsequent accounting of the lease liability such that it recognises no gain or loss relating to the right of use it retains.

Notes to the Consolidated Financial Statements (*continued*)

For the year ended 31 December 2024

1. Accounting policies (*continued*)

1.25 Accounting standards not applied

A number of new standards and amendments, some of which are yet to be endorsed by UK Endorsement Board as at 31 December 2024, have been issued by the IASB, are effective for annual periods beginning after 1 January 2025 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these consolidated financial statements.

The impact of their adoption is being assessed and is not expected to have a material impact on the Group's financial statements in the period of initial application except for IFRS 18 Presentation and Disclosure in Financial Statements for which the impact assessment is still at an early stage. The new standards and amendments are as follows:

- Amendments to IAS 21: The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability (effective date 1 January 2025).
- Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures – Settlement by Electronic Payments and Classification of Financial Instruments with ESG-linked Features (effective date 1 January 2026).
- Amendments to IFRS 9 Financial Instruments, IFRS 15 Revenue from Contracts with Customers and IFRS 16 Leases – Annual Improvements to IFRS Accounting Standards: Targeted amendments to IFRS Accounting Standards to improve clarity and consistency (effective date 1 January 2026).
- IFRS 18 Presentation and Disclosure in Financial Statements (effective date 1 January 2027).

2. Revenue

	2024 €000	2023 €000
By geographical location of customers:		
UK	126,751	87,706
Rest of Europe	420,230	552,908
The Americas	11,036	16,973
Rest of World	1,477	1,406
Total	559,494	658,993

All revenue is derived from UK operations and from sale of goods and services.

Revenues of €537,526,000 (2023: €626,263,000) have been generated from the sale of product, the remaining €21,968,000 (2023: €32,730,000) of revenue relates to the provision of tolling and other services.

The timing of revenue recognition for the vast majority of the Group's sale transactions is at a point in time. Revenues for goods or services transferred over time are immaterial.

No contract assets and liabilities have been recognised in the balance sheet of the Group. Its impact, if any, was deemed immaterial. The performed analysis has concluded that the right of payment of the goods and services sold by the Group is unconditional, except for the passage of time. Therefore, all rights of payment have been booked as trade receivables.

No assets related to costs to obtain or fulfil a contract have been recognised.

Notes to the Consolidated Financial Statements (continued)
*for the year ended 31 December 2024***3. Exceptional items***Exceptional cost of sales*

The Group has recognised an exceptional impairment charge of €331,555,000 (2023: €561,882,000) for the year ended 31 December 2024, in relation to tangible and intangible fixed assets. This has predominantly been driven by the natural gas price risk, high UK carbon taxes and associated market volatility included in the forward curve. The business valuation was negatively impacted by lower than expected cash flows within the current business plan, reflecting the challenging economic and competitive conditions expected in the near term for the site. Due to these reasons and the fact that the investment in the new energy project is still in mothball status plus the ethanol plant has been closed from the beginning of 2025, it was viewed by the Group to fully impair all the Group's tangible assets, apart from land and buildings.

4. Other operating income

	2024 €000	2023 €000
Sale of emission allowances	21,208	2

5. Operating loss

Included in operating loss are the following:

	2024 €000	2023 €000
Expenses relating to short-term leases	2,172	1,744
Expenses relating to leases of low-value assets	9	7
Income from sub-leasing of right-of-use assets	(621)	(320)
Government grants (Note 21)	(892)	(851)
Exchange loss/ (gain)	4,134	(16,010)
Amortisation of intangible assets (Note 10)	410	397
Impairment of intangible assets (Note 10)	10	-
Other operating income (Note 4)	(21,208)	(2)
Depreciation and impairment of property, plant and equipment:		
Owned assets (Note 11)	6,082	48,052
Impairment of owned assets (Note 11)	320,855	551,735
Right-of-use assets (Note 11)	2,186	5,276
Impairment of right-of-use assets (Note 11)	10,690	10,147

Auditor's remuneration:

	2024 €000	2023 €000
Audit of these financial statements	358	400
Amounts receivable by auditor's and their associates in respect of:		
Audit of financial statements of subsidiaries	88	26
	446	426

The audit fees for the current period is €446,000 (2023: €426,000). There was no non-audit fees in the current period (2023: *Nil*).

Notes to the Consolidated Financial Statements (continued)
*for the year ended 31 December 2024***6. Staff numbers and costs**

The monthly average number of persons employed by the Group (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	2024	2023
Distribution	13	17
Sales and marketing	3	3
Administration	313	298
Operations	301	292
Maintenance	92	88
	722	698

The aggregate payroll costs of these persons were as follows:

	2024	2023
	€000	€000
Wages and salaries	56,920	52,728
Social security costs	5,958	5,294
Other pension costs - defined benefit plan (<i>Note 15</i>)	507	496
Other pension costs - defined contribution plan (<i>Note 15</i>)	4,488	3,931
	67,873	62,449

7. Directors' remuneration

	2024	2023
	€000	€000
Short-term employee benefits	896	728
Social security costs	24	92
	920	820

The aggregate of emoluments and amounts receivable under long-term incentive schemes of the highest paid director was €593,000 (2023: €416,000). The highest paid director is a member of a defined benefit scheme, under which his accrued pension was €14,000 (2023: *€nil*).

	Number of directors	
	2024	2023
Retirement benefits are accruing to the following number of directors under:		
Defined benefit schemes	2	1

Notes to the Consolidated Financial Statements (*continued*)

for the year ended 31 December 2024

8. Finance income and costs

Recognised in the consolidated income statement

	2024 €000	2023 €000
Finance income		
Bank interest	660	726
Other interest receivable	11	17
Net interest income on pension schemes (<i>Note 15</i>)	-	191
Net exchange movements	-	522
Total finance income	671	1,456
Finance costs		
Interest payable to related parties	(55,940)	(45,353)
Amortisation of issue costs	-	(2,152)
Interest on lease liabilities	(2,166)	(793)
Other finance charges	(28)	(1)
Interest on Senior Secured Term Loans	-	(316)
Net interest payable on pension schemes (<i>Note 15</i>)	(783)	-
Net exchange movements	(2,148)	-
Total finance costs	(61,065)	(48,615)
Net finance cost	(60,394)	(47,159)

Notes to the Consolidated Financial Statements (*continued*) for the year ended 31 December 2024

9. Tax credit

Taxation recognised in the consolidated income statement	2024 €000	2023 €000
Current tax credit		
Current tax on loss for the year	(35,278)	(13,833)
Adjustments in respect of prior years	(42,847)	(11,760)
Total current tax credit	<u>(78,125)</u>	<u>(25,593)</u>
Deferred tax credit		
Origination and reversal of temporary differences	(56,845)	(97,535)
Adjustments in respect of prior years	48,745	(1,553)
Deferred tax credit (Note 13)	<u>(8,100)</u>	<u>(99,088)</u>
Total tax credit	<u>(86,225)</u>	<u>(124,681)</u>

Reconciliation of effective tax rate

	2024 €000	2023 €000
Loss before taxation	(494,034)	(687,674)
Tax using the UK corporation tax rate of 25% (2023:23.5%)	(123,509)	(161,603)
Non-deductible expenses/tax exempt revenues	31,386	56,087
Difference in tax rate	-	(5,852)
Adjustments in respect of prior years	5,898	(13,313)
Total tax credit	<u>(86,225)</u>	<u>(124,681)</u>

Taxation recognised in other comprehensive income/(expense)

	Gross €000	2024 Tax €000	Net €000	Gross €000	2023 Tax €000	Net €000
Translation differences	6,396	(443)	5,953	15,464	(1,845)	13,619
Remeasurements of post employment benefit plan	3,171	(1,014)	2,157	(20,650)	5,187	(15,463)
Total	<u>9,567</u>	<u>(1,457)</u>	<u>8,110</u>	<u>(5,186)</u>	<u>3,342</u>	<u>(1,844)</u>

Notes to the Consolidated Financial Statements (*continued*)

for the year ended 31 December 2024

9. Tax credit (*continued*)

The Organisation for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting published the Pillar Two model rules designed to address the tax challenges arising from the digitalisation of the global economy.

On 23 May 2023 the IASB issued amendments to IAS 12 'Income Taxes'. The Amendments to IAS 12 introduced a mandatory temporary exception to the requirement of IAS 12 under which a company does not recognise or disclose information about deferred tax assets or liabilities related to the proposed OECD/G20 BEPS Pillar Two model rules.

The Group applied the temporary exception as at 31 December 2024.

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. 2024 income taxes in the profit and loss account are measured at 25% while in 2023 a blended average of 23.5% was applied. Deferred taxes at the balance sheet date are measured at 25%.

Notes to the Consolidated Financial Statements (*continued*)

for the year ended 31 December 2024

10. Intangible assets

	Environmental Certificates €000	Licence Fees €000	Total €000
Cost			
Balance at 1 January 2023	10,639	2,110	12,749
Additions	1,068	-	1,068
Reclassification	-	(210)	(210)
Disposals	(11,195)	-	(11,195)
Effect of movements in foreign exchange	155	36	191
Balance at 31 December 2023	667	1,936	2,603
Additions	-	350	350
Effect of movements in foreign exchange	32	100	132
Balance as at 31 December 2024	699	2,386	3,085
Accumulated depreciation and impairment			
Balance at 1 January 2023	-	(421)	(421)
Amortisation charge for the year	-	(397)	(397)
Effect of movements in foreign exchange	-	(6)	(6)
Balance at 31 December 2023	-	(824)	(824)
Amortisation charge for the year	-	(410)	(410)
Exceptional impairment charge for the year	-	(10)	(10)
Effect of movements in foreign exchange	-	(47)	(47)
Balance as at 31 December 2024	-	(1,291)	(1,291)
Net book value			
At 31 December 2023	667	1,112	1,779
At 31 December 2024	699	1,095	1,794

Amortisation

The amortisation charge is recognised in administrative expenses in the consolidated income statement.

Notes to the Consolidated Financial Statements (continued)
*for the year ended 31 December 2024***11. Property, plant and equipment**

	Land and buildings €000	Plant and machinery €000	Assets under construction €000	Right-of-use assets €000	Total €000
Cost					
Balance at 1 January 2023	22,063	1,500,384	484,135	20,974	2,027,556
Additions	-	-	63,036	804	63,841
Reclassifications	-	6,207	-	-	6,207
Disposals	-	(76)	-	(890)	(966)
Transfers	-	49,953	(49,953)	-	-
Modifications	-	-	-	7,281	7,281
Effect of movements in foreign exchange	386	26,269	8,611	384	35,649
Balance at 31 December 2023	22,449	1,582,737	505,829	28,553	2,139,568
Additions	-	-	65,560	1,770	67,330
Disposals	-	(185,653)	-	(475)	(186,128)
Transfers	-	63,940	(63,940)	-	-
Effect of movements in foreign exchange	1,082	73,016	25,556	1,362	101,016
Balance at 31 December 2024	23,531	1,534,040	533,005	31,210	2,121,786
Accumulated depreciation and impairment					
Balance at 1 January 2023	(10,900)	(1,119,045)	(107,037)	(3,116)	(1,240,098)
Depreciation charge for the year	(868)	(47,184)	-	(5,276)	(53,328)
Exceptional impairment charge for the year	(9,340)	(223,333)	(319,062)	(10,147)	(561,882)
Reclassifications	-	(5,727)	-	-	(5,727)
Disposals	-	76	-	870	946
Effect of movements in foreign exchange	(138)	(18,378)	111	1	(18,404)
Balance at 31 December 2023	(21,246)	(1,413,591)	(425,988)	(17,668)	(1,878,493)
Depreciation charge for the year	(81)	(6,001)	-	(2,186)	(8,268)
Exceptional impairment charge for the year	-	(227,199)	(93,656)	(10,690)	(331,545)
Disposals	-	185,653	-	475	186,128
Effect of movements in foreign exchange	(1,026)	(72,901)	(13,361)	(1,141)	(88,429)
Balance at 31 December 2024	(22,353)	(1,534,040)	(533,005)	(31,210)	(2,120,608)
Net book value					
At 31 December 2023	1,203	169,146	79,841	10,885	261,075
At 31 December 2024	1,178	-	-	-	1,178

Notes to the Consolidated Financial Statements (*continued*)

for the year ended 31 December 2024

11. Property, plant and equipment (*continued*)

Exceptional impairment charge

The exceptional impairment charge of €331,545,000 for the year ended 31 December 2024 reflects the impairment of the tangible fixed assets relating to O&P UK business located at the Grangemouth site (see note 3).

This has predominantly been driven by the natural gas price risk, high UK carbon taxes and associated market volatility included in the forward curve. The business valuation was negatively impacted by lower than expected cash flows within the current business plan, reflecting the challenging economic and competitive conditions expected in the near term for the site. Due to these reasons and the fact that the investment in the new energy project is still in mothball status plus the ethanol plant has been closed from the beginning of 2025, it was viewed by the Group to fully impair all the Group's tangible assets, apart from land and buildings.

Notes to the Consolidated Financial Statements (*continued*) for the year ended 31 December 2024

11. Property, plant and equipment (*continued*)

Right-of-use assets

The Group leases assets including land, plant and machinery and transportation assets which are classified as right-of-use assets.

	Land and buildings €000	Plant and machinery €000	Total €000
Cost			
Balance at 1 January 2023	18,705	2,269	20,974
Additions	-	804	804
Disposals	-	(890)	(890)
Modifications	7,281	-	7,281
Effect of movements in foreign exchange	348	36	384
Balance at 31 December 2023	26,334	2,219	28,553
Additions	249	1,521	1,770
Disposals	-	(475)	(475)
Effect of movements in foreign exchange	1,274	88	1,362
Balance at 31 December 2024	27,857	3,353	31,210
Accumulated depreciation and impairment			
Balance at 1 January 2023	(1,978)	(1,138)	(3,116)
Depreciation charge for the year	(4,694)	(582)	(5,276)
Disposals	-	870	870
Exceptional impairment charge for the year	(9,255)	(892)	(10,147)
Effect of movements in foreign exchange	9	(8)	1
Balance at 31 December 2023	(15,918)	(1,750)	(17,668)
Depreciation charge for the year	(1,557)	(629)	(2,186)
Disposals	-	475	475
Exceptional impairment charge for the year	(9,237)	(1,453)	(10,690)
Effect of movements in foreign exchange	(1,145)	4	(1,141)
Balance at 31 December 2024	(27,857)	(3,353)	(31,210)
Net book value			
At 31 December 2023	10,416	469	10,885
At 31 December 2024	-	-	-

Notes to the Consolidated Financial Statements (continued)
*for the year ended 31 December 2024***12. Investments in subsidiary undertakings**

The Company has the following investments in subsidiaries:

Name	Address of the registered office	Class of shares held	Ownership	
			2024	2023
INEOS Commercial Services UK Limited ** [Company Registration Number 07445497]	Hawkslease, Chapel Lane, Lyndhurst, Hampshire, England, SO43 7FG	Ordinary	100%	100%
INEOS Chemicals Grangemouth Limited ** [Company Registration Number 06981897]	Hawkslease, Chapel Lane, Lyndhurst, Hampshire, England, SO43 7FG	Ordinary	100%	100%
Grangemouth Energy Company Limited [Company Registration Number 11384522]	Hawkslease, Chapel Lane, Lyndhurst, Hampshire, England, SO43 7FG	Ordinary	70.4%	70.4%

****Audit exemption**

The subsidiary undertakings which have been consolidated in these financial statements and have claimed exemption from audit under section 479A Companies Act 2006.

INEOS Grangemouth Limited holds 100% of the issued I ordinary share capital in Grangemouth Energy Company Limited. Grangemouth Energy Company Limited has also issued P ordinary shares and non-voting ordinary shares which are not held by INEOS Grangemouth Limited.

INEOS Chemicals Grangemouth Limited is a “Toll Manufacturer”. INEOS Commercial Services UK Limited is an “Entrepreneur”. Grangemouth Energy Company Limited is constructing a new energy plant on the Grangemouth site, although the expected operational date is not yet known. All subsidiary undertakings are included in the consolidation.

Notes to the Consolidated Financial Statements (*continued*) for the year ended 31 December 2024

13. Deferred tax assets

Recognised deferred tax assets

Deferred tax assets are attributable to the following:

	Assets €000	2024 Liabilities €000	Total €000
Property, plant and equipment	138,633	-	138,633
Employee benefits	3,728	-	3,728
Tax value of losses carried forward	20,913	-	20,913
Short term timing differences	396	-	396
Tax assets	163,670	-	163,670
	Assets €000	2023 Liabilities €000	Total €000
Property, plant and equipment	114,204	-	114,204
Employee benefits	4,128	-	4,128
Tax value of losses carried forward	31,391	-	31,391
Short term timing differences	163	-	163
Tax assets	149,886	-	149,886

Movement in deferred tax during the year

	Property, plant and equipment €000	Losses €000	Employee benefits €000	Short term timing differences €000	Total €000
At 1 January 2023	25,291	20,512	(873)	157	45,087
Recognised in consolidated income statement	88,472	10,768	(156)	4	99,088
Recognised in other comprehensive income	-	-	5,187	-	5,187
Effects of movement in foreign exchange	441	111	(30)	2	524
At 31 December 2023	114,204	31,391	4,128	163	149,886
Recognised in consolidated income statement	18,924	(11,310)	259	227	8,100
Recognised in other comprehensive income	-	-	(811)	-	(811)
Effects of movement in foreign exchange	5,505	832	152	6	6,495
At 31 December 2024	138,633	20,913	3,728	396	163,670

Notes to the Consolidated Financial Statements (*continued*) for the year ended 31 December 2024

13. Deferred tax assets (*continued*)

Deferred tax assets have been recognised in respect of all tax losses and other temporary differences giving rise to deferred tax assets where the directors believe it is probable that these assets will be recovered based upon business forecasts. The recoverability of deferred tax assets are ultimately based on the profitability of INEOS Automotive Limited ("Automotive", both the Company and Automotive are subsidiaries of INEOS Industries Limited).

Any deferred tax expected to reverse after 1 April 2024 has been remeasured using the rates substantively enacted at 31 December 2024. The rate of deferred tax applied at 31 December 2024 is 25% (2023: 25%).

14. Trade and other receivables

	2024 €000	2023 €000
Current		
Trade receivables	15,704	24,844
Amounts due from related parties (<i>Note 25</i>)	250,519	170,318
Prepayments	3,462	17,898
Accrued income	4,541	3,767
	<u>274,226</u>	<u>216,827</u>
Non-current		
Prepayments	12,053	-
Accrued income	13,336	18,559
Other operating debtors	89	89
	<u>25,478</u>	<u>18,648</u>

Credit quality of financial assets and impairment losses

The ageing of trade and other receivables at the end of the reporting year was:

	2024			
	Trade receivables		Amounts due from related parties	
	Gross €000	Impairment €000	Gross €000	Impairment €000
Not past due	15,399	-	250,519	-
Past due 0-30 days	230	-	-	-
Past due 31-90 days	75	-	-	-
More than 90 days	-	-	-	-
	<u>15,704</u>	<u>-</u>	<u>250,519</u>	<u>-</u>

Notes to the Consolidated Financial Statements (continued)
*for the year ended 31 December 2024***14. Trade and other receivables (continued)****Credit quality of financial assets and impairment losses (continued)**

	2023			
	Trade receivables		Amounts due from related parties	
	Gross €000	Impairment €000	Gross €000	Impairment €000
Not past due	24,155	-	170,318	-
Past due 0-30 days	678	-	-	-
Past due 31-90 days	11	-	-	-
More than 90 days	-	-	-	-
	<u>24,844</u>	<u>-</u>	<u>170,318</u>	<u>-</u>

Amounts due from related parties attract interest at commercial rates that are either subject to standard trading terms or are repayable on demand.

The accounts receivable not yet due after impairment losses as of the end of the reporting year are deemed to be collectible on the basis of established credit management processes such as regular analyses of the credit worthiness of our customers and external credit checks where appropriate for new customers (*Note 22.c*). As at 31 December 2023 and 2024 there was no significant trade, related party or other receivable balances not past due that were subsequently impaired.

The concentration of credit risk for trade receivables and amounts due from related parties at the balance sheet date by geographic region was:

	2024 €000	2023 €000
Geographic region		
UK	228,655	146,410
Rest of Europe	36,867	30,488
Americas	24	42
Rest of the World	677	18,222
	<u>266,223</u>	<u>195,162</u>

The concentration of credit risk for trade receivables and amounts due from related parties at the balance sheet date by type of counterparty was:

	2024 €000	2023 €000
Type of counterparty		
Oil, gas and chemicals	263,344	190,317
Transport	178	445
Other	2,701	4,400
	<u>266,223</u>	<u>195,162</u>

Notes to the Consolidated Financial Statements (*continued*) for the year ended 31 December 2024

14. Trade and other receivables (*continued*)

Movement in the allowance for impairment:

	Trade receivables €000
Balance at 1 January 2023	-
Allowance released in year	-
Balance at 31 December 2023	-
Allowance released in the year	-
Balance at 31 December 2024	-

The allowance account for trade receivables is used to record any impairment unless the Group is satisfied that no recovery of the amount owing is probable; at the point the amounts considered irrecoverable are written off against the trade receivables directly. During the year ended 31 December 2024 there were no material amounts written-off against trade receivables directly. The Group applies the forward-looking 'expected credit loss' (ECL) model in line with IFRS 9 in assessing the recoverability of trade receivables. The ECL is calculated considering past experiences and management's estimate of future developments. Management expects no considerable change in the future market situation. Consequently, the future credit losses in the ECL model are in the same range as the credit losses experienced in the past years. This is regarded as the future expectation of the inherent credit risk of the not impaired trade and other receivables outstanding. The Group reviews the assumptions of the ECL model on a yearly basis.

Credit risk of trade receivables

	2024 €000	2023 €000
Low	15,704	24,844
Medium	-	-
High	-	-
Impairment allowance	-	-
	15,704	24,844

During the year the Group has not experienced a significant deterioration in the quality of receivable balances due to the current economic conditions.

There were no allowances made against other receivables during the year (2023: *€nil*).

There were no allowances made against amounts due from related parties during the year (2023: *€nil*).

Notes to the Consolidated Financial Statements *(continued)* for the year ended 31 December 2024

15. Employee benefits

Pension Plan

The Group operates a defined benefit pension scheme for certain employees. The scheme covers employees of INEOS Chemicals Grangemouth Limited and INEOS Commercial Services UK Limited. The defined benefit pension scheme was historically final salary in nature. The plan is now closed to new entrants and frozen to future accrual. The contributions paid to the scheme is set every three years based on a funding agreement between the Group and Trustees after taking actuarial advice. The scheme operates under trust law and is managed and administered by Trustees who are directors of INEOS Chemicals Pension Plan which has a trust deed in favour of INEOS Chemicals Grangemouth Limited and INEOS Commercial Services UK Limited.

Pension charges in relation to the INEOS Chemicals Pension Plan have been accounted for under IAS 19 “Revised Employee Benefits” in these financial statements. The scheme is of a defined benefit type under which benefits are based on employees’ years of service and final remuneration.

The most recent full valuation of the significant defined benefit plan was carried out on 31 December 2020. These valuations have been updated where appropriate to 31 December 2024 by independent qualified actuaries.

Pension plan assumptions

The principal actuarial assumptions (expressed as weighted averages or ranges) at the year end were as follows:

	2024 %	2023 %
Major assumptions:		
Rate of increase to pension in payments	2.9	2.9
Discount rate for scheme liabilities	5.5	4.7
Inflation (RPI)	3.1	3.1

The assumptions relating to longevity underlying the pension liabilities at the reporting date are based on standard actuarial mortality tables and include an allowance for future improvements in longevity. The assumptions are equivalent to expecting a 65-year old to live for a number of years as follows:

	2024 Years	2023 Years
Longevity at age 65 for current pensioners	22.9-24.8	22.9 – 24.8

Sensitivity analysis

The following table presents the sensitivity of the defined benefit obligation to each significant actuarial assumption:

	2024 %	2023 %
Discount rate: 1% decrease	16.59	18.49
Rate of inflation: 0.5% increase	5.26	5.88
1 year increase in longevity for a member currently aged 65	1.76	2.04

The sensitivity to the inflation assumption change includes corresponding changes to the future salary increase and future pension increase assumptions where the assumptions are set to be linked to the inflation assumption.

Notes to the Consolidated Financial Statements *(continued)*

for the year ended 31 December 2024

15. Employee benefits *(continued)*

Sensitivity analysis *(continued)*

The calculation of the defined benefit obligation is sensitive to the assumptions set out above. The following table summarises how the impact on the defined benefit obligation at the end of the reporting year would have increased/(decreased) as a result of a change in the respective assumptions by 1% for the discount rate and 0.5% for the rate of inflation.

	2024	2023
	€000	€000
Discount rate	55,724	66,101
Inflation (RPI, CPI)	17,655	21,006

In valuing the liabilities of the pension fund at €335,836,000 (2023: €357,488,000), mortality assumptions have been made as indicated above. If life expectancy had been changed to assume that all members of the fund lived for one year longer, the value of the reported liabilities would be €341,758,000 (2023: €364,787,000) having increased by €5,922,000 (2023: €7,299,000) before deferred tax.

The above sensitivities are based on the average duration of the benefit obligation determined at the date of the last full actuarial valuation at 31 December 2020 and are applied to adjust the defined benefit obligation at the end of the reporting year for the assumptions concerned. Whilst the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation to the sensitivity of the assumptions shown.

The distribution of the timing of benefit payments are as follows:

	2024	2023
	€000	€000
Following period (expected)	14,468	14,773
Period +2 (expected)	14,492	12,112
Period +3 (expected)	14,912	12,463
Period +4 (expected)	15,346	12,824
Period +5 (expected)	15,789	13,197
Period +6 to +10 (combined)	<u>86,087</u>	<u>71,948</u>

History of plan

The history of the plan for the current and prior years is as follows:

Consolidated Balance Sheet

	2024	2023
	€000	€000
Present value of the defined benefit obligation in respect of the pension plan	335,836	357,488
Fair value of plan assets	(320,933)	(340,975)
Deficit	<u>14,903</u>	<u>16,513</u>

The Group's net liabilities/(asset) in respect of defined benefit obligations is as follows:

	2024	2023
	€000	€000
Net liabilities for defined benefit obligations in the United Kingdom	<u>14,903</u>	<u>16,513</u>

The Group expects to contribute approximately €518,000 (2023: €494,000) to its funded defined benefit plan in the next financial year.

Notes to the Consolidated Financial Statements (continued)
for the year ended 31 December 2024

15. Employee benefits (continued)

Consolidated Income Statement

	2024 €000	2023 €000
Current service cost	507	496
Interest cost on defined benefit obligation	16,865	16,444
Interest income on plan assets	(16,082)	(16,635)
	1,290	305

The expense/(income) is recognised in the following line items in the consolidated income statement:

	2024 €000	2023 €000
Cost of sales	507	496
Finance cost/ (income)	783	(191)
	1,290	305

Notes to the Consolidated Financial Statements (*continued*) for the year ended 31 December 2024

15. Employee benefits (*continued*)

Movements in present value of defined benefit obligation:

	Total €000
On 1 January 2023	333,935
Current service cost	496
Interest cost on defined benefit obligation	16,444
Remeasurements:	
Actuarial loss – experience	8,315
Actuarial loss – demographic assumptions	(3,725)
Actuarial gain – financial assumptions	11,301
Disbursements from plan assets	(15,147)
Exchange	5,869
At 31 December 2023	357,488
Current service cost	507
Interest cost on defined benefit obligation	16,865
Remeasurements:	
Actuarial loss – experience	2,318
Actuarial gain – demographic assumptions	116
Actuarial loss – financial assumptions	(42,741)
Disbursements from plan assets	(15,118)
Exchange	16,401
At 31 December 2024	335,836

Movements in fair value of plan assets:

	Total €000
On 1 January 2023	337,427
Interest income on plan assets	16,635
Remeasurements:	
Return on plan assets less than discount rate	(4,759)
Employer contributions	927
Disbursements	(15,147)
Exchange	5,892
At 31 December 2023	340,975
Interest income on plan assets	16,082
Remeasurements:	
Return on plan assets less than discount rate	(37,136)
Employer contributions	473
Disbursements	(15,118)
Exchange	15,657
At 31 December 2024	320,933

Notes to the Consolidated Financial Statements (*continued*) for the year ended 31 December 2024

15. Employee benefits (*continued*)

The fair value of the plan assets were as follows:

	2024 €000	2023 €000
As at 31 December		
Cash and cash equivalents	7,134	82
Equities	74,376	64,024
Bonds	192,560	220,860
Property	44,038	50,212
Other	2,825	5,797
Total plan assets	320,933	340,975

All the investments in plan assets except property are quoted. The plan does not hold investments in the Group's own financial instruments, or hold assets or property which are used by the Group.

Defined Contribution Plans

The Group operates a number of defined contribution pension plans. The total expenses relating to these plans in the current year were €4,488,000 (2023: €3,931,000).

UK High Court ruling

In June 2023, the UK High Court handed down a decision (Virgin Media Limited v NTL Pension Trustees II Limited and others) which potentially has implications for the validity of amendments made by pension schemes which were contracted-out on a salary-related basis between 6 April 1997 and the abolition of contracting-out in 2016. The UK High Court ruled that any amendments made to these pension schemes during the relevant period would be void unless the scheme actuary had confirmed that the pension scheme would continue to satisfy the statutory standard for contracted-out schemes. On 25 July 2024, the Court of Appeal upheld the original decision. The Group understands that the trustees have reviewed all available scheme documents and no issues have been found with any scheme amendments. The Group's legal advisers have reviewed the advice given to the trustees so far and have agreed with the conclusions reached.

16. Inventories

	2024 €000	2023 €000
Raw materials and consumables	18,961	17,999
Process chemicals	15,699	16,592
Finished goods and goods for resale	56,967	55,598
	91,627	90,189

Raw materials, consumables and changes in finished goods and work in progress recognised as cost of sales in the year amounted to €342,363,000 (2023: €140,956,000). The write-down of stocks to net realisable value amounted to €2,461,000 (2023: €76,000). The reversal of write-downs amounted to €nil (2023: €nil).

Notes to the Consolidated Financial Statements (*continued*) for the year ended 31 December 2024

17. Called up share capital

	2024 €000	2023 €000
Authorised, allotted, called up and fully paid		
57,100 (2023: 57,100) ordinary shares of €1 each	57	57
	<u>57</u>	<u>57</u>

Number of shares	Ordinary shares
On issue at 1 January and 31 December 2024 – fully paid	57,100
	<u>57,100</u>

The holders are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Dividends

A dividend has not been paid or declared in the year (2023: *€nil*).

18. Interest-bearing loans and borrowings

The note provides information about the contractual terms of the Group's interest-bearing loans and borrowings, which are measured at amortised cost. For more information about the Group's exposure to interest rate and foreign currency risk, refer to Note 22.

	2024 €000	2023 €000
Non-current liabilities		
Loan from related parties	916,996	744,426
	<u>916,996</u>	<u>744,426</u>
Current liabilities		
Loan from related parties	86,985	78,538
	<u>86,985</u>	<u>78,538</u>
Net borrowings	<u>1,003,981</u>	<u>822,964</u>

Notes to the Consolidated Financial Statements (*continued*) for the year ended 31 December 2024

18. Interest-bearing loans and borrowings (*continued*)

Gross debt and issue costs

	2024		
	Gross loans and borrowings	Issue costs	Net loans and borrowings
	€000	€000	€000
Loans from related parties	1,003,981	-	1,003,981
	<u> </u>	<u> </u>	<u> </u>
	2023		
	Gross loans and borrowings	Issue costs	Net loans and borrowings
	€000	€000	€000
Loan from related parties	822,964	-	822,964
	<u> </u>	<u> </u>	<u> </u>

Terms and debt repayment schedule

	Currency	Nominal Interest rate	Year of maturity
Loan due to related parties	£	5.53%	2043
Loan due to related parties	€	7%	2030
Loan due to related parties	€	5.75%	2028
Loan due to related parties	£	8%	2029

Notes to the Consolidated Financial Statements (*continued*)
*for the year ended 31 December 2024***18. Interest-bearing loans and borrowings (*continued*)****Loans from related parties**

The Group has a €520,000,000 multi-currency term loan facility from INEOS Industries Holdings Limited, which matures on 31 December 2030 and carries an interest rate of 7%. As at 31 December 2024 €395,406,000 (2023: €311,052,000) has been drawn down.

The Group has a €370,000,000 multi-currency term loan facility from INEOS Industries Holdings Limited, which matures on 31 December 2028 and carries an interest rate of 5.75%. As at 31 December 2024 €346,864,000 (2023: €327,307,000) has been drawn down.

The Group has a £95,844,800 shareholder loan facility from Petroineos Refining Limited, which matures in 2043 and carries an interest rate of 5.53%. As at 31 December 2024 £72,172,000 (2023: £68,304,000) has been drawn down. The facility is for exclusive use on construction costs of the new power plant. On 30 December 2021, Petroineos Refining Limited gave notice to stop investing in the energy project and requested early repayment of the loan in line with the contractual terms. As a result, the loan has been reclassified to current liabilities on the balance sheet at 31 December 2023 and 31 December 2024. The values stated above are in GBP sterling. If reclassified to euros, which is the functional and presentational currency of the Group, as at 31 December 2024 €86,985,000 (2023: €78,538,000) has been drawn down.

The Group has a sub-participation agreement with INEOS FPS Limited for the funding of the new power plant at Grangemouth. INEOS FPS Limited will fund 33.5% of the total construction cost. This agreement matures in 2043 and carries an interest rate of 5.53%. As at 31 December 2024 £99,375,000 (2023: £92,247,000) has been contributed. The values stated above are in GBP sterling. If reclassified to euros, which is the functional and presentational currency of the Group, as at 31 December 2024 €119,773,000 (2023: €106,067,000) has been contributed.

The Group has a £95,844,800 shareholder loan facility from Grangemouth CHP Limited, which matures in 2029 and carries an interest rate of 8%. As at 31 December 2024 £45,593,000 has been drawn down. The values stated above are in GBP sterling. If reclassified to euros, which is the functional and presentational currency of the Group, as at 31 December 2024 €54,953,000 has been drawn down.

Notes to the Consolidated Financial Statements (continued)
*for the year ended 31 December 2024***19. Lease obligations**

	2024 €000	2023 €000
<i>Analysed as:</i>		
Current lease liabilities	5,228	4,328
Non-current lease liabilities	14,145	16,549
	<u>19,373</u>	<u>20,877</u>
	2024 €000	2023 €000
<i>Maturity analysis- contractual undiscounted cash flows:</i>		
Less than one year	6,187	5,555
Between one and five years	9,272	11,652
More than five years	11,457	8,797
	<u>26,916</u>	<u>26,004</u>
Total undiscounted lease liabilities at 31 December		
	2024 €000	2023 €000
<i>Amounts recognised in the statement of cash flows:</i>		
Lease capital payments	4,953	4,836
Lease interest payments	1,933	795
Short-term leases	2,172	1,744
Leases of low value assets	9	7
	<u>9,067</u>	<u>7,382</u>
Total cash outflow for leases		

The Group leases assets including land, buildings and transportation, the typical life of the leases vary between 1 to 29 years.

Notes to the Consolidated Financial Statements (*continued*)

for the year ended 31 December 2024

20. Trade and other payables

	2024 €000	2023 €000
Current		
Trade payables	49,291	38,861
Amounts due to related parties (<i>Note 25</i>)	92,853	84,988
Accruals	63,427	39,287
Deferred income (<i>Note 21</i>)	1,142	1,095
	206,713	164,231
Non-current		
Accruals	945	1,085
Deferred income (<i>Note 21</i>)	12,208	12,614
	13,153	13,699

Amounts due to related parties attract interest at commercial rates that are either subject to standard trading terms or are repayable on demand.

21. Government grants

	2024 €000	2023 €000
Current	892	851
Non-current	11,203	11,538
	12,095	12,389

Government grants are included within deferred income (*Note 20*). The grants are Regional Selective Assistance Scotland Scheme grants received by the Group. The income on these grants is released to the consolidated income statement in line with the life of the underlying fixed assets that these grants were received in relation to.

Notes to the Consolidated Financial Statements (*continued*)

for the year ended 31 December 2024

22. Financial instruments

22. a) Fair values of financial instruments

Trade and other receivables

The carrying amount of trade and other receivables generally approximates to fair value due to their short maturities. Where settlement is not due in the short term and where the effect is material, fair value is estimated as the present value of future cash flows discounted at the market rate of interest at the reporting date.

Trade and other payables

The carrying amount of trade and other payables generally approximates to fair value due to short maturities. Where settlement is not due in the short term and where the effect is material, fair value is estimated as the present value of future cash flows discounted at the market rate of interest at the reporting date.

Cash and cash equivalents

The fair value of cash and cash equivalents is estimated as its carrying amount where the cash is repayable on demand. Where it is not repayable on demand then the fair value is estimated at the present value of future cash flows, discounted at the market rate of interest at the reporting date.

Interest-bearing borrowings

Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the balance sheet date. The fair value of the related parties' loans is the same as the carrying value.

Notes to the Consolidated Financial Statements (*continued*)
*for the year ended 31 December 2024***22. Financial instruments (*continued*)****22. a) Fair values of financial instruments (*continued*)*****Fair values***

The fair values of each class of financial assets and financial liabilities together with their carrying amounts shown in the consolidated balance sheet are as follows:

	2024		2023	
	Carrying amount €000	Fair value €000	Carrying amount €000	Fair value €000
Financial assets held at amortised cost				
Trade receivables	15,704	15,704	24,844	24,844
Amounts due from related parties	250,519	250,519	170,318	170,318
Cash and cash equivalents	38,909	38,909	24,616	24,616
Total financial assets	305,132	305,132	219,778	219,778
Financial liabilities carried at amortised cost:				
Trade payables	(49,291)	(49,291)	(38,861)	(38,861)
Amounts due to related parties	(92,853)	(92,853)	(84,988)	(84,988)
Accruals	(63,427)	(63,427)	(39,287)	(39,287)
Loan due to related parties	(1,003,981)	(1,003,981)	(822,964)	(822,964)
Lease liabilities	(19,373)	(19,373)	(20,877)	(20,877)
Total financial liabilities	(1,228,925)	(1,228,925)	(1,006,977)	(1,006,977)

Notes to the Consolidated Financial Statements *(continued)*

for the year ended 31 December 2024

22. Financial instruments *(continued)*

22. b) Net gains and losses from financial instruments

Net gains and losses from financial instruments comprise the results of valuations, the amortisation of discounts, and recognition and derecognition of impairment losses, results from the translation of foreign currencies, interest, dividends and all effects on profit or loss of financial instruments.

Net gains from financial assets measured at amortised cost relate primarily to recognition and derecognition of impairment losses, results from the translation of foreign currencies and interest income.

Net losses from financial liabilities measured at amortised cost relate primarily to amortisation of discounts, results from the translation of foreign currencies, interest expense and other financing related expenses.

The following table shows the gross gains and losses during the year and on which financial instruments they arose:

	Assets measured at amortised cost	
	2024	2023
	€000	€000
Financing income	671	743
Net foreign exchange gain	-	522
Net result	671	1,265
Carrying value at 31 December	305,132	219,778

	Liabilities measured at amortised cost	
	2024	2023
	€000	€000
Finance cost	(58,106)	(48,298)
Other finance cost	(28)	(317)
Net foreign exchange losses	(2,148)	-
Net result	(60,282)	(48,615)
Carrying value at 31 December	(1,228,925)	(1,006,977)

There are no financial assets at fair value either through profit and loss or other comprehensive income.

Notes to the Consolidated Financial Statements (*continued*) for the year ended 31 December 2024

22. Financial instruments (*continued*)

22. c) Credit risk

Financial risk management

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and deposits with financial institutions.

Group Treasury policy and objectives in relation to credit risk is to minimise the likelihood that the Group will experience financial loss due to counterparty failure and to ensure that in the event of a single loss, the failure of any single counterparty would not materially impact the financial wellbeing of the Group.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Group's customer base, including the default risk of the industry and country in which customers operate, as these factors may have an influence on credit risk. Management considers that there is no geographical concentration of credit risk. The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered or are adjusted accordingly. The Group's review includes external ratings, when available, and in some cases bank references. Purchase limits are established for each customer, which represent the maximum open amount without requiring approval. Customers that fail to meet the Group's benchmark creditworthiness may transact with the Group only on a prepayment basis.

Investments, cash and cash equivalents

Surplus cash investments are only made with banks with which the Group has a relationship.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. Therefore, the maximum exposure to credit risk at the reporting date was the carrying amount of financial assets. Further details on the Group's exposure to credit risk are given in Note 14.

Notes to the Consolidated Financial Statements (continued)
*for the year ended 31 December 2024***22. Financial instruments (continued)****22. d) Liquidity risk*****Financial risk management***

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group.

The Group forecasts on a regular basis the expected cash flows that will occur on a weekly and monthly basis. This information is used in conjunction with the weekly reporting of actual cash balances at bank in order to calculate the level of funding that will be required in the short and medium term. On a monthly basis the level of headroom on existing facilities is reported and forecast forward until the end of the financial year.

The maturity profile of the Group's undrawn committed facilities at 31 December 2024 and 2023 was as follows:

	2024	2023
	Undrawn facilities	Undrawn facilities
	€000	€000
In one year	(28,532)	(31,123)
In more than one year, but not more than two years	-	(8,948)
In more than two years, but not more than five years	(58,577)	(42,693)
In more than five years	(135,560)	(4,066)
	(222,669)	(86,830)

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the effect of netting agreements:

			2024			
	Carrying amount	Contractual cash flows	1 year or less	1 to <2 years	2 to <5 years	5 years and over
	€000	€000	€000	€000	€000	€000
Non derivative financial liabilities						
Trade payables	(49,291)	(49,291)	(49,291)	-	-	-
Amounts due to related parties	(92,853)	(92,853)	(92,853)	-	-	-
Accruals	(63,427)	(63,427)	(63,427)	-	-	-
Loan due to related parties	(1,003,981)	(1,213,814)	-	(8,880)	(1,082,089)	(122,845)
Lease liabilities	(19,373)	(23,871)	(5,936)	(5,324)	(3,105)	(9,506)
	(1,228,925)	(1,443,256)	(211,507)	(14,204)	(1,085,194)	(132,351)

Notes to the Consolidated Financial Statements (*continued*) for the year ended 31 December 2024

22. Financial instruments (*continued*)

22. d) Liquidity risk (*continued*)

			2023			
	Carrying amount €000	Contractual cash flows €000	1 year or less €000	1 to <2 years €000	2 to <5 years €000	5 years and over €000
Non derivative financial liabilities						
Trade payables	(38,861)	(38,861)	(38,861)	-	-	-
Amounts due to related parties	(84,988)	(84,988)	(84,988)	-	-	-
Accruals	(39,287)	(39,287)	(39,287)	-	-	-
Loan due to related parties	(822,964)	(1,029,917)	-	(8,012)	(903,064)	(118,841)
Lease liabilities	(20,877)	(26,004)	(5,555)	(5,342)	(6,310)	(8,797)
	<u>(1,006,977)</u>	<u>(1,219,057)</u>	<u>(168,691)</u>	<u>(13,354)</u>	<u>(909,374)</u>	<u>(127,638)</u>

22. e) Market risk

Financial risk management

Market risk reflects the possibility that changes in market prices, such as crude oil, feedstock refined products, chemicals or currency exchanges rates or changes in interest rates will adversely affect the value of the Group's assets, liabilities or expected future cash flows.

i. Market risk – foreign currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar and Sterling.

Foreign exchange risk arises from future commercial transactions, and recognised assets and liabilities.

A substantial portion of the Group's revenue is generated in, or linked to, Sterling and the Euro. Product prices, certain feedstock costs and most other costs are denominated in US Dollar, Sterling and Euro.

The Group does not enter into foreign currency exchange instruments to hedge foreign currency transaction exposure, although the Group may do so in the future.

Notes to the Consolidated Financial Statements (*continued*) for the year ended 31 December 2024

22. Financial instruments (*continued*)

22. e) Market risk (*continued*)

i. Market risk – foreign currency risk (continued)

The foreign currency exposure where the Group's financial assets/(liabilities) are not denominated in the functional currency of the operating unit involved is shown below. Foreign exchange differences on retranslation of these assets and liabilities are taken to the income statement / other comprehensive income of the Group.

	2024 €000	2023 €000
Euros	(315)	(5,472)
US dollars	(8,517)	1,368
Sterling	384	88,165
Other	51	(140)
	<u>(8,397)</u>	<u>83,921</u>

Sensitivity analysis

A 10% weakening of the following currencies at 31 December would have decreased equity and profit by the amounts shown below. This calculation assumes that the change occurred at the reporting date and had been applied to risk exposures existing at that date.

This analysis assumes that all other variables, in particular other exchange rates and interest rates, remain constant. The analysis is performed on the same basis for the comparative year.

	Profit or loss 2024 €000	2023 €000
Euros	(32)	(547)
US dollars	(852)	137
Sterling	38	8,817
Other	5	(14)
	<u>(841)</u>	<u>8,393</u>

A 10% strengthening of the above currencies against the Euro at 31 December would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Notes to the Consolidated Financial Statements (*continued*)
*for the year ended 31 December 2024***22. Financial instruments (*continued*)****22. e) Market risk (*continued*)*****ii. Market risk – interest rate risk***

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments was:

	2024 €000	2023 €000
Carrying amount of asset/(liability)		
Variable rate instruments		
Financial assets	38,909	24,616
	<u>38,909</u>	<u>24,616</u>
Fixed rate instruments		
Financial liabilities	(1,023,354)	(843,841)
	<u>(1,023,354)</u>	<u>(843,841)</u>

iii. Market risk – Commodity price risk

The Group is exposed to commodity price risk through fluctuations in raw material prices and sales of products. The raw material exposures result primarily from the price of feedstocks and base chemicals linked to the price of crude. The sales price exposures are primarily related to petrochemicals where prices are in general linked to the market price of crude oil.

The Group enters into contracts to supply or acquire physical volumes of commodities at future dates during the normal course of business that may be considered derivative contracts. Where such contracts exist and are in respect of the normal purchase or sale of products to fulfil the Group's requirements, the own use exemption from derivative accounting is applied.

The Group operates within procedures and policies designed to ensure that risks, including those relating to the default of counterparties, are minimised.

22. f) Capital management

The Group's objectives for managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group defines its capital employed of €445,041,000 (2023: €623,438,000) as shareholders' deficit of €520,031,000 (2023: €174,910,000) and net debt (net of debt issue cost) of €965,072,000 (2023: €798,348,000).

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares, raise new debt or sell assets to reduce debt.

Notes to the Consolidated Financial Statements (continued)
*for the year ended 31 December 2024***23. Capital commitments**

Outstanding capital expenditure authorised on property, plant and equipment authorised by the Board and for which contracts had been placed as at 31 December 2024 by the Group amounted to approximately €15,856,000 (2023: €25,239,000).

24. Reconciliation of net cash flow to movement in net debt

	2024 €000	2023 €000
Increase/ (decrease) in cash and cash equivalents in the year	12,867	(18,691)
Cash inflow from change in debt financing	(115,082)	(99,621)
Change in net debt resulting from cash flows	(102,215)	(118,312)
Other net non-cash transactions	(64,509)	(46,177)
Movements in net debt in year	(166,724)	(164,489)

	1 Jan 2024 €000	Cash flow €000	Non-cash changes €000	31 Dec 2024 €000
Cash at bank and in hand	24,616	12,867	1,426	38,909
	<u>24,616</u>	<u>12,867</u>	<u>1,426</u>	<u>38,909</u>
Debt due within one year	(78,538)	-	(8,447)	(86,985)
Debt due after more than one year	(744,426)	(115,082)	(57,488)	(916,996)
	<u>(822,964)</u>	<u>(115,082)</u>	<u>(65,935)</u>	<u>(1,003,981)</u>
	<u>(798,348)</u>	<u>(102,215)</u>	<u>(64,509)</u>	<u>(965,072)</u>

	1 Jan 2023 €000	Cash flow €000	Non-cash changes €000	31 Dec 2023 €000
Cash at bank in hand	42,328	(18,691)	979	24,616
	<u>42,328</u>	<u>(18,691)</u>	<u>979</u>	<u>24,616</u>
Debt due within one year	(378,064)	305,000	(5,474)	(78,538)
Debt due after more than one year	(298,123)	(404,621)	(41,682)	(744,426)
	<u>(676,187)</u>	<u>(99,621)</u>	<u>(47,156)</u>	<u>(822,964)</u>
	<u>(633,859)</u>	<u>(118,312)</u>	<u>(46,177)</u>	<u>(798,348)</u>

Notes to the Consolidated Financial Statements (continued)
*for the year ended 31 December 2024***25. Related parties****Related party transactions**

Related parties comprise:

- Parent entity, their subsidiaries, associates and joint venture not included within the INEOS Grangemouth Limited Group;
- Entities controlled by the shareholders of INEOS Limited, the ultimate parent company of INEOS Grangemouth Limited, including INEOS AG and INEOS Industries Holdings Limited, entities with significant influence; and
- Key managerial personnel.

Mr J A Ratcliffe, Mr A C Currie and Mr J Reece are the shareholders of INEOS Limited. INEOS Limited provides operational management services to the Group through a management service agreement. INEOS Limited management fees of €6,542,450 (2023: €6,222,000) were charged to the income statement during the year ended 31 December 2024.

At 31 December 2024 amounts owed to INEOS Industries Holdings Limited relating to loans of €742,270,000 (2023: €638,359,000), and €43,752,052 (2023: €35,628,000) of interest payable had been recorded.

At 31 December 2024 amounts owed to Petroineos Refining Limited relating to the GECO loan was €86,985,000 (2023: €78,538,000) and €4,562,706 (2023: €4,190,000) of interest payable had been recorded.

At 31 December 2024 amounts owed to INEOS FPS Limited relating to loans of €119,773,000 (2023: €106,067,000) and €6,183,479 (2023: €5,535,000) of interest payable had been recorded.

At 31 December 2024 amounts owed to Grangemouth CHP Limited relating to loans of €54,953,000 (2023: €nil) and €1,440,282 (2023: €nil) of interest payable had been recorded.

INEOS Limited owns and controls a number of operating subsidiaries and joint ventures that are not included in the INEOS Grangemouth Limited group, including the INEOS Group Holdings S.A. group and other subsidiaries of the INEOS Industries Limited group. During the year ended 31 December 2024, the Group has made sales to these subsidiaries, associates and joint ventures of €377,965,386 (2023: €376,445,000), recovered costs of €165,212,224 (2023: €119,110,000) and made purchases of €166,490,566 (2023: €285,435,000). At 31 December 2024 €250,519,000 (2023: €170,318,000) was owed by these subsidiaries, associates and joint ventures and €92,853,000 (2023: €84,988,000) was owed to these subsidiaries, associates and joint ventures. All of the above transactions were in the ordinary course of business.

In general, any trading balances with related parties are priced based on contractual agreements and are to be settled in cash. The transactions are made on terms equivalent to those that prevail in arm's length transactions.

None of the related party balances are secured and no guarantees have been given or received. There were no provisions for doubtful debts related to any related parties as at 31 December 2024 (2023: €nil).

Transactions with key management personnel (including directors)

The Group defines key management as the directors of the Group. Details of Directors' remuneration are given in Note 7.

Notes to the Consolidated Financial Statements (*continued*) for the year ended 31 December 2024

26. Ultimate parent undertaking and controlling party

The immediate parent undertaking at 31 December 2024 is INEOS Industries Holdings Limited, a company incorporated in England and Wales.

The ultimate parent undertaking at 31 December 2024 was INEOS Limited, a company registered in the Isle of Man.

INEOS Industries Limited is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements. Copies of the financial statements of INEOS Industries Limited can be obtained from the Company Secretary at the registered office: Hawkslease, Chapel Lane, Lyndhurst, Hampshire, UK, SO43 7FG.

The directors regard Mr J A Ratcliffe to be the ultimate controlling party by virtue of his majority shareholding in the ultimate parent undertaking INEOS Limited.

27. Accounting estimates and judgements

The Group prepares its financial statements in accordance with IFRS's, which require management to make judgements, estimates and assumptions which affect the application of the accounting policies, and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates change and in any future periods affected.

Critical judgements in applying the Group's accounting policies

The directors do not consider there to be any critical judgements, apart from those involving estimates, which are presented separately below.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Post-retirement benefits

The Group operates a number of defined benefit post-employment schemes. Under IAS 19 Revised Employee Benefits, management is required to estimate the present value of the future defined benefit obligation of each of the defined benefit schemes. The costs and year end obligations under defined benefit schemes are determined using actuarial valuations. The actuarial valuations involve making numerous assumptions, including:

- Future rate of increase in pensions;
- Inflation rate projections;
- Discount rate for scheme liabilities; and
- Expected rates of return on the scheme assets.

Details of post-retirement benefits including the major assumptions and the sensitivity of the post-retirement benefits to the assumptions are set out in Note 15: pension plan assumptions.

Notes to the Consolidated Financial Statements (*continued*) for the year ended 31 December 2024

27. Accounting estimates and judgements (*continued*)

Recognition of deferred tax assets

The Group recognises deferred tax assets of €163,670,000 for the year ended 31 December 2024 (2023: €149,886,000) related to losses and timing differences based on forecasts which inherently involve estimates. The recoverability of deferred tax assets are ultimately based on the profitability of INEOS Automotive Limited (“Automotive”, both the Company and Automotive are subsidiaries of INEOS Industries Limited).

Within Automotive there is estimation, uncertainty and judgement in the forecasts due to INEOS being a new brand in the Automotive sector, the Grenadier being a new vehicle with limited production and sales to date, and the Fusilier still being under development with launch expected in 2028. There is therefore a much greater degree of uncertainty in these projections than for established businesses.

The key assumptions used in determining the recognition of deferred tax assets include the number of vehicles to be produced and sold, the selling prices of the vehicles, cost of sales and therefore margin earned and that the platform will run for 40 years with annual investments made. Based on the forecasts, the deferred tax asset will take 35 years to recover.

Further reasonably possible changes to forecasts or assumptions could mean that the deferred tax asset is recovered sooner, later or not in full. Further details over assumptions used in the deferred tax asset recoverability assessment can be found in the INEOS Industries Limited financial statements.

Ultimately, however, the forecasts reflect the directors’ current best estimate of probable future cashflows and taxable profits to support the recognition of the deferred tax assets.

Impairment reviews

IFRSs require management to test for the impairment of tangible assets with finite lives if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

An impairment test requires an assessment as to whether the carrying value of assets can be supported by its recoverable amount. Management calculates the recoverable amount based on the net present value of the future cash flows derived from the relevant assets, using cash flow projections which have been discounted at an appropriate discount rate.

In calculating the net present value of future cash flows, certain assumptions and estimates are required to be made in respect of highly uncertain matters, including management’s expectation of:

- growth rates of various revenue streams
- long term growth rates
- future margins
- the selection of an appropriately risk adjusted discount rate; and
- the determination of terminal values.

Changing the assumptions selected by management, in particular the discount rate used in the present value calculation, could significantly affect the Group’s impairment evaluation and results.

For the purpose of impairment testing (when required), to assess whether any impairment exists, estimates are made of the future cash flows expected to result from the use of the asset and its eventual disposal. Actual outcomes could vary significantly from such estimates of discounted future cash flows. Factors such as changes in the planned use of buildings, plant or equipment, or closure of facilities, the presence or absence of competition, lower than expected asset utilisation from events such as planned outages, strikes and hurricanes, technical obsolescence or lower than anticipated sale of products with capitalised intellectual property rights could result in shortened lives or impairment. Changes in assumption could also lead to different impairment values.

Notes to the Consolidated Financial Statements (*continued*) for the year ended 31 December 2024

27. Accounting estimates and judgements (*continued*)

Impairment reviews (*continued*)

The exceptional impairment charge of €331,555,000 for the year ended 31 December 2024 reflects the impairment of the tangible fixed assets relating to O&P UK business located at the Grangemouth site (see note 3). This has predominantly been driven by the natural gas price risk, high UK carbon taxes and associated market volatility included in the forward curve. The business valuation was negatively impacted by lower than expected cash flows within the current business plan, reflecting the challenging economic and competitive conditions expected in the near term for the site. Due to these reasons and the fact that the investment in the new energy project is still in mothball status plus the ethanol plant has been closed from the beginning of 2025, it was viewed by the Group to fully impair all the Group's tangible assets, apart from land and buildings.

28. Post balance sheet events

The ethanol plant closed down on 7 January 2025. All chemicals have been removed and the plant secured in case a future use of the plant emerges in the foreseeable future.

During August 2025, the New Energy Project shareholder loan owed to Petroineos Refining Limited, a related party, was novated to INEOS Grangemouth Limited.

During August 2025, Grangemouth Energy Company Limited P ordinary shares and non-voting ordinary shares, previously held by Petroineos Refining Limited, was transferred to INEOS Grangemouth Limited.

On 17 December 2025, the Group agreed a £75 million UK Government loan guarantee (loan maturity 31 December 2029) and £50 million grant. In addition, INEOS Industries Limited agreed to provide £20 million further funding into the Group at a date no later than 31 December 2026.

On 24 November 2025, INEOS Grangemouth Holdings Limited was incorporated and became the direct parent company of INEOS Grangemouth Limited. INEOS Industries Holdings Limited subsequently became the direct parent company of INEOS Grangemouth Holdings Limited from this date.

Section 3 – Company Financial Statements

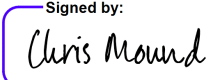
Company Balance Sheet
as at 31 December 2024

	Note	2024 €000	2023 €000
Fixed assets			
Investments	5	491,081	718,481
Total fixed assets		491,081	718,481
Current assets			
Debtors	6	6,811	13,803
Total current assets		6,811	13,803
Creditors: amounts falling due within one year	7	(465)	(325)
Net current assets		6,346	13,478
Total assets less current liabilities		497,427	731,959
Creditors: amounts falling due after more than one year	8	(862,043)	(744,426)
Net liabilities		(364,616)	(12,467)
Capital and reserves			
Called up share capital	9	57	57
Profit and loss account *		(364,673)	(12,524)
Total shareholders' deficit		(364,616)	(12,467)

* The Parent Company recorded a loss after tax for the year of €352,149,000 (2023: €4,053,000).

The notes on pages 76 to 83 are an integral part of these Company financial statements.

The financial statements on pages 74 to 83 were approved by Board of Directors on 17 December 2025 and signed on its behalf by:

Signed by:

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C G Mound
Director
Registered Number 08698417

Company Statement of Changes in Equity

for the year ended 31 December 2024

	Called up share capital €000	Profit and loss account €000	Total shareholders' deficit €000
Balance at 1 January 2023	57	(8,471)	(8,414)
Total comprehensive expense for the year, comprising			
Loss for the year	-	(4,053)	(4,053)
Total comprehensive expense for the year	-	(4,053)	(4,053)
Balance at 31 December 2023	57	(12,524)	(12,467)

	Called up share capital €000	Profit and loss account €000	Total shareholders' deficit €000
Balance at 1 January 2024	57	(12,524)	(12,467)
Total comprehensive expense for the year, comprising			
Loss for the financial year	-	(352,149)	(352,149)
Total comprehensive expense for the year	-	(352,149)	(352,149)
Balance at 31 December 2024	57	(364,673)	(364,616)

The notes on pages 76 to 83 are an integral part of these Company financial statements.

Notes to the Company Financial Statements

for the year ended 31 December 2024

1. Accounting policies

Overview

INEOS Grangemouth Limited (the “Company”) is a private company, limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The registered office address is Hawkslease, Chapel Lane, Lyndhurst, Hampshire, England, UK, SO43 7FG. The nature of the operations and principal activities of the Company and its subsidiaries is the construction of a new energy plant on the Grangemouth site, the production of olefins, olefins by-products, synthetic ethanol and a range of polymer products and selling the products either directly or through a network of Limited Risk Distributors across Europe for which it pays a small margin.

1.1 Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards, on a going concern basis and under the historical cost accounting rules.

Under section 408 of the Companies Act 2006 the Company has taken exemption from the requirement to present its own profit and loss account.

The Company financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with the Companies Act 2006 as applicable to companies using Financing Reporting Standard 101 *Reduced Disclosure Framework* (“FRS 101”).

These financial statements were prepared in accordance with Financing Reporting Standard 101 *Reduced Disclosure Framework* (“FRS 101”).

The consolidated financial statements of INEOS Grangemouth Limited are prepared in accordance with International Financial Reporting Standards. In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Cash flow Statement and related notes;
- Comparative period reconciliations for share capital;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- Financial instrument disclosures as required by IFRS 7;
- The effects of new but not yet effective IFRSs; and
- Disclosures in respect of the compensation of Key Management Personnel.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in Note 12.

1.2 Measurement convention

The financial statements are prepared on the historical cost basis. No assets or liabilities are stated at fair value.

Notes to the Company Financial Statements (*continued*) for the year ended 31 December 2024

1. Accounting policies (*continued*)

1.3 Going Concern

The directors have considered the Company's projected future cash flows and working capital requirements for a period of at least 12 months from signing these financial statements (see Note 13). As at 31 December 2024, the Company had net current assets of €6,346,000 (2023: €13,478,000) and net liabilities of €364,616,000 (2023: €12,467,000). The Company held cash of €nil (2023: €nil) and loans and borrowings (net of issue costs) of €nil (2023: €nil). The loss for the year was €352,149,000 (2023: €4,053,000). The directors have received confirmation that the parent, INEOS Industries Limited, will continue to support the Company for at least the 12 months from signing of these financial statements.

After making enquiries, the directors have a reasonable expectation that the parent's going concern assessment confirms that there is sufficient forecast committed liquidity headroom for the parent to provide this support and the Company will therefore have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Company continues to adopt the going concern basis in preparing its financial statements.

1.4 Functional and presentation currency

These Company financial statements are presented in euro, which is the functional currency of the majority of operations. The exchange rate as at 31 December 2024 was €1.20525: £1 (2023: €1.14982: £1).

All financial information presented in euro has been rounded to the nearest €1,000.

1.5 Investments

Shares in affiliated undertakings are valued at purchase price including the expenses incidental thereto, less any accumulated impairment loss.

1.6 Non-derivative financial instruments

Non-derived financial instruments comprise investments in equity and debt securities, trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

Trade and other debtors

Trade and other debtors are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition or issue. Subsequent to initial recognition they are tested for classification as per IFRS 9. If the trade debtors satisfy the criteria for cash flow characteristics test and business model test as per IFRS 9, then they are recognised at amortised cost. If they do not qualify for being recognised at amortised cost they are recognised at fair value through profit or loss.

Trade and other creditors

Trade and other creditors are recognised initially at fair value less transaction costs that are directly attributable to the acquisition or issue. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Investments in debt and equity securities

Investments in jointly controlled entities, associates and subsidiaries are carried at cost less impairment.

The Company applies IFRS 9, including the impairment requirements, to long-term interests in other group undertakings to which the equity method is not applied and which form part of the net investment. Furthermore, in applying IFRS 9 to long-term interests, the Company does not take into account adjustments to their carrying amount required by IAS 28 (i.e. adjustments to the carrying amount of long-term interests arising from the allocation of losses of the investee or assessment of impairment in accordance with IAS 28).

Notes to the Company Financial Statements (continued)
for the year ended 31 December 2024

1. Accounting policies (continued)

1.6 Non-derivative financial instruments (continued)

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest bearing borrowings are stated as amortised cost using the effective interest method, less any impairment losses.

1.7 Impairment of financial assets

Amounts due from related parties

For amounts due from related parties, an impairment loss is recognised at inception based on the 12 month expected credit loss. Subsequently, the Company assesses whether there is a significant increase in credit risk to determine whether the 12 month expected credit loss model should continue to be applied or whether the timeline expected credit loss model should be applied.

1.8 Impact of new standards and interpretations

There are no amendments to accounting standards that are effective for the year ended 31 December 2024 which have had a material impact on the Company.

2. Auditor’s remuneration

	2024 €000	2023 €000
Audit of these financial statements	103	101
Amounts receivable by the Company’s Auditor and its associates in respect of audit of consolidated financial statements	255	299
	<u>358</u>	<u>400</u>

The audit fee for the current period is €358,000 (2023: €400,000). There was no non-audit fees in the current period (2023: €nil).

3. Staff numbers and costs

There were no (2023: no) employees with contracts of employment in the name of the Company.

4. Directors’ remuneration

None (2023: none) of the directors received any fees or remuneration for services as a director of the Company during the financial year. The directors are remunerated for their qualifying services by another group company for contributions to the group as a whole and it is not possible to apportion this to the Company.

Notes to the Company Financial Statements (continued)
*for the year ended 31 December 2024***5. Investments**

The subsidiary and undertakings of the Company and the percentage of equity share capital held are set out below. The principal country of operation is generally indicated by the Company's country of incorporation or by its name.

Name	Address of the registered office	Class of shares held	Ownership	
			2024	2023
INEOS Commercial Services UK Limited ** [Company Registration Number 07445497]	Hawkslease, Chapel Lane, Lyndhurst, Hampshire, England, SO43 7FG	Ordinary	100%	100%
INEOS Chemicals Grangemouth Limited ** [Company Registration Number 06981897]	Hawkslease, Chapel Lane, Lyndhurst, Hampshire, England, SO43 7FG	Ordinary	100%	100%
Grangemouth Energy Company Limited [Company Registration Number 11384522]	Hawkslease, Chapel Lane, Lyndhurst, Hampshire, England, SO43 7FG	Ordinary	70.4%	70.4%

****Audit exemption**

The subsidiary undertakings which have been consolidated in INEOS Grangemouth Limited consolidated financial statements and have claimed exemption from audit under section 479A Companies Act 2006.

INEOS Grangemouth Limited holds 100% of the issued I ordinary share capital in Grangemouth Energy Company Limited. Grangemouth Energy Company Limited has also issued P ordinary shares and non-voting ordinary shares which are not held by INEOS Grangemouth Limited.

INEOS Chemicals Grangemouth Limited is a "Toll Manufacturer". INEOS Commercial Services UK Limited is an "Entrepreneur". Grangemouth Energy Company Limited is constructing a new energy plant on the Grangemouth site, although the expected operational date is not yet known. All subsidiary undertakings are included in the consolidation.

Notes to the Company Financial Statements (*continued*) for the year ended 31 December 2024

5. Investments (*continued*)

	Shares in subsidiaries €000	Loans to subsidiaries €000	Total €000
Cost			
Balance at 1 January 2024	1	718,480	718,481
Additions	-	132,283	132,283
Balance at 31 December 2024	1	850,763	850,764
Provisions			
Balance at 1 January 2024	-	-	-
Exceptional impairment charge	-	(359,683)	(359,683)
Balance at 31 December 2024	-	(359,683)	(359,683)
Net book value			
At 31 December 2023	1	718,480	718,481
At 31 December 2024	1	491,080	491,081

Loans to subsidiaries

Loans to subsidiaries attract interest at commercial rates that are either subject to standard trading terms or are repayable on demand.

The exceptional impairment charge relates to the write-down of the carrying value of the new energy project investment to its recoverable amount, being the value in use. For the year ended 31 December 2024, the Company has decided to fully impair the new energy project investment.

6. Debtors

	2024 €000	2023 €000
Amounts due from group undertakings	-	13,803
Taxation and social security	6,811	-
	6,811	13,803

Amounts due from group undertakings are inter-company loans which attract interest at commercial rates that are either subject to standard trading terms or are repayable on demand.

Notes to the Company Financial Statements (continued)
for the year ended 31 December 2024

7. Creditors: amounts falling due within one year

	2024 €000	2023 €000
Amounts owed to group undertakings	30	-
Accruals	435	325
	<u>465</u>	<u>325</u>

Amounts owed to group undertakings are inter-company loans which attract interest at commercial rates that are either subject to standard trading terms or are repayable on demand.

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8. Creditors: amounts falling due after more than one year

	2024 €000	2023 €000
Loans from group undertakings	862,043	744,426
	<u>862,043</u>	<u>744,426</u>

Loans from group undertakings

The Company has a €520,000,000 multi-currency term loan facility from INEOS Industries Holdings Limited, which matures on 31 December 2030 and carries an interest rate of 7%. As at 31 December 2024 €395,406,000 (2023: €311,052,000) has been drawn down.

The Company has a €370,000,000 multi-currency term loan facility from INEOS Industries Holdings Limited, which matures on 31 December 2028 and carries an interest rate of 5.75%. As at 31 December 2024 €346,864,000 (2023: €327,307,000) has been drawn down.

The Company has a sub-participation agreement with INEOS FPS Limited for the funding of the new power plant at Grangemouth. INEOS FPS Limited will fund 33.5% of the total construction cost. This agreement matures in 2043 and carries an interest rate of 5.53%. As at 31 December 2024 £99,375,000 (2023: £92,247,000) has been contributed. The values stated above are in GBP sterling. If reclassified to euros, which is the functional and presentational currency of the Company, as at 31 December 2024 €119,773,000 (2023: €106,067,000) has been contributed.

9. Called up share capital

	2024 €000	2023 €000
Authorised, allotted, called up and fully paid		
57,100 (2023: 57,100) ordinary shares of €1 each	57	57

Number of shares	Ordinary shares
On issue at 1 January and 31 December 2024 – fully paid	57,100

Dividends

A dividend has not been paid or declared in the year (2023: €nil).

10. Related party transactions

The Company has taken advantage of the exemption under paragraph 8(k) of FRS101 not to disclose transactions with fellow subsidiaries under common ownership. During the year, the Company has not entered into any transactions outside of this exception.

11. Ultimate parent undertaking and controlling party

The immediate parent undertaking at 31 December 2024 is INEOS Industries Holdings Limited.

The ultimate parent undertaking at 31 December 2024 is INEOS Limited, a company registered in the Isle of Man.

INEOS Grangemouth Limited, a company incorporated in the UK, is the smallest group of undertakings to consolidate these financial statements.

INEOS Industries Limited, a company incorporated in the UK, is the parent undertaking of the largest group of undertakings to consolidate these financial statements. Copies of the financial statements of INEOS Industries Limited can be obtained from the Company Secretary at the registered office: Hawkslease, Chapel Lane, Lyndhurst, Hampshire, UK, SO43 7FG.

The directors regarded Mr J A Ratcliffe to be the ultimate controlling party by virtue of his majority shareholding in the ultimate parent undertaking INEOS Limited.

Notes to the Company Financial Statements (*continued*) for the year ended 31 December 2024

12. Accounting estimates and judgements

The Company prepares its financial statements in accordance with FRS 101, which require management to make judgements, estimates and assumptions which affect the application of the accounting policies, and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates change and in any future periods affected.

The following areas are considered to involve a significant degree of judgement or estimation.

Critical judgements in applying the Company's accounting policies

The directors do not consider there to be any critical judgements, apart from those involving estimation, which are presented separately below.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Carrying value of investments

Determination as to whether, and how much, an investment is impaired involves management estimates on highly uncertain matters such as the effects of inflation and deflation on operating expenses, discount rates, production profiles, reserves and resources, and future commodity prices, including the outlook for global or regional market supply-and-demand conditions for crude oil, natural gas and refined products.

Management judgement is required to determine whether an indicator or potential impairment exists in relation to the Company's investments. The directors have identified that certain investments with net liabilities could be an indication of impairment so have carried out a full impairment review by comparing the carrying amount of the investment against the recoverable amount, being the value in use, which has resulted in an exceptional impairment charge where the Company has elected to fully impair the new energy project investment.

With regards the Company's other investments, sensitivity analysis was performed based on 1% increase in the discount rate, a 1% decrease to the growth rate and a 10% decrease in EBITDA, all of which are considered a reasonable possible change in estimate. INEOS Commercial Services UK Limited has a recoverable amount lower than the investment carrying amount but as all the entities are supported by a letter of support from INEOS Industries Limited it was deemed that there was no requirement to impair this investment.

13. Post balance sheet events

The ethanol plant closed down on 7 January 2025. All chemicals have been removed and the plant secured in case a future use of the plant emerges in the foreseeable future.

During August 2025, the New Energy Project shareholder loan owed to Petroineos Refining Limited, a related party, was novated to INEOS Grangemouth Limited.

During August 2025, Grangemouth Energy Company Limited P ordinary shares and non-voting ordinary shares, previously held by Petroineos Refining Limited, was transferred to INEOS Grangemouth Limited.

On 17 December 2025, the Company agreed a £75 million UK Government loan guarantee (loan maturity 31 December 2029) and £50 million grant. In addition, INEOS Industries Limited agreed to provide £20 million further funding into the Company at a date no later than 31 December 2026.

On 24 November 2025, INEOS Grangemouth Holdings Limited was incorporated and became the direct parent company of INEOS Grangemouth Limited. INEOS Industries Holdings Limited subsequently became the direct parent company of INEOS Grangemouth Holdings Limited from this date.